



MINDA

Minda Corporation Limited

**Transforming
Business Performance globally**

**24th
annual
report**

2008-09

VISION

To be a

Dynamic, Innovative and Profitable Global Automotive Organization for emerging as the Preferred Supplier and Employer to create Value for all Stakeholders.

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MINDA CORPORATION LIMITED

MINDA



Minda Corporation Limited- Pant Nagar Plant I



Greater Noida



Pune



Pant Nagar Plant II



Noida

OUR PLANTS.....
OUR ASSETS



OUR PEOPLE

OUR STRENGTH

MINDA CORPORATION LIMITED



CORPORATE SOCIAL RESPONSIBILITY



Children enjoying with Sh. Shadilal Minda at 'Minda Bal Gram'



Minda Bal Gram

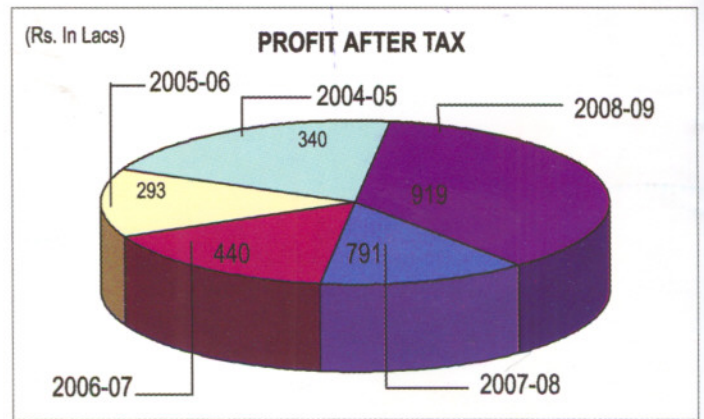
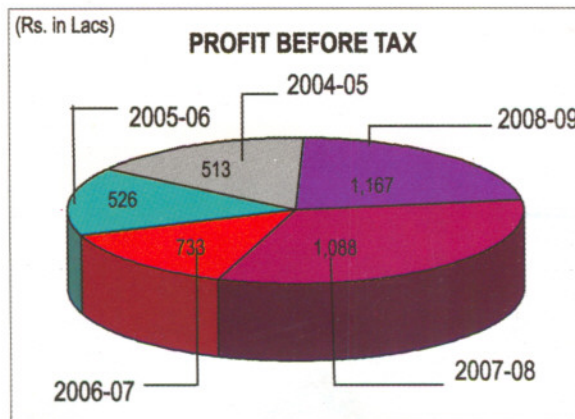
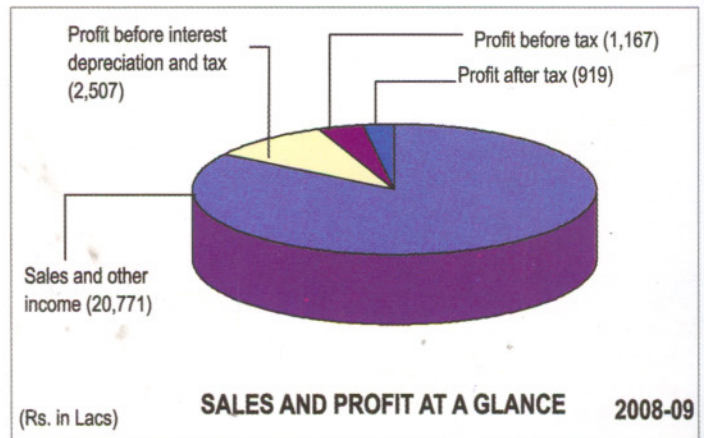
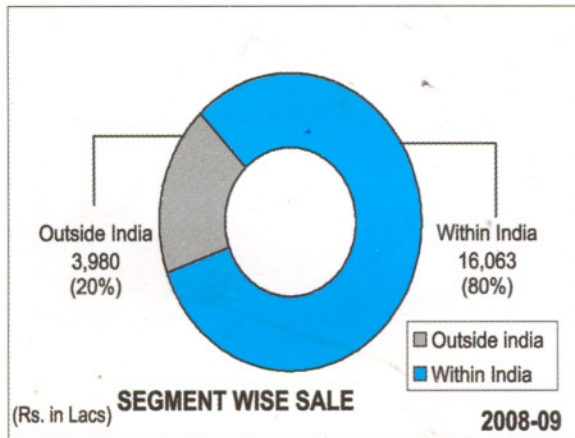


Inauguration of community hall at Bagla village near Hisar (Donated by Monga Devi Charitable Trust)



FINANCIAL HIGHLIGHTS

Details	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Sales and other income	15,533	17,794	22,409	18,409	20,771
Profit Before Int, Dep and Tax	1,395	1,655	1,889	2,192	2,507
Profit Before Tax	513	526	733	1,088	1,167
Profit after tax	340	293	440	791	919
Net fixed assets	5400	5059	6463	6008	6505
Share capital	247	247	247	864	864
Reserves and Surplus	2,216	2,466	2,849	2,821	3,538
Net Worth	2,463	2,713	3,095	3,684	4,402
Dividend	15%	15%	20%	20%	20%



CORPORATE INFORMATION

Ashok Minda
Chairman



Nirmal K. Minda
Director



A.P. Gandhi
Director



S.C. Gupta
Director



Jeevan Mahaldar
Managing Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ajay Sancheti

AUDITORS

M/s. R.N. Saraf & Co.
Chartered Accountants,
2659/2, Gurudwara Road,
Karol Bagh, New Delhi-110005

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
123, Vinobha Puri, Lajpat Nagar,
Phase-II, New Delhi-110024

BANKERS

State Bank of India
Indian Overseas Bank,
ABN Amro Bank N.V.,
Axis Bank,
Standard Chartered Bank

REGISTERED OFFICE

36A, Rajasthan Udyog Nagar,
Delhi - 110033

CORPORATE OFFICE

D, 6-11, Sector-59, Noida
U.P. - 201301

WEBSITE

www.minda.co.in

PLANTS

1. D, 6-11, Sector-59, Noida
U.P. - 201301
2. B-21, MIDC, Chakan, Pune,
Maharashtra - 410501
3. Gut No. 307, Nanekarwadi, Chakan
Tel-Khed, Dist. Pune,
Maharashtra-410501
4. Plot No. 9, Sec-10, IIE Pantnagar,
Udham Singh Nagar,
Uttarakhand-263153
5. Plot No. 9A, Sec-10, IIE Pantnagar,
Udham Singh Nagar,
Uttarakhand-263153
6. 2D/2, Udyog Kendra, Ecotech-III
Greater Noida, U.P.-201306
7. 2D/1, Udyog Kendra, Ecotech-III
Greater Noida, U.P.-201306
8. E-87, MIDC, Waluj, Aurangabad,
Maharashtra - 431136

SUBSIDIARIES*

1. Minda Europe B.V.
2. KTSN Kunststofftechnik Sachsen GmbH & Co. KG

DIRECTORS' REPORT

The Shareholders,

The Directors have pleasure in submitting their 24th Annual Report on the business and operations of the Company, together with Audited Statement of Accounts for the year ended March 31, 2009.

1. FINANCIAL RESULTS

PARTICULARS	(Rs. in Lacs)	
	2008-09	2007-08
Sales (Net of Excise)	20042.94	17691.85
Other Income	728.32	717.19
Profit before Interest & Depreciation	2553.45	2229.73
Interest & Finance Charges	694.26	583.61
Depreciation	692.00	558.37
Profit before Tax	1167.19	1087.75
Provision for Tax	195.00	245.50
Profit after Taxation	919.19	791.08
Provision for Fringe Benefit Tax	28.00	25.52
Provision for Deferred Tax	25.00	25.65
Brought forward Profit	1548.18	1477.09
Total Profit available for appropriation	2467.37	2268.17
APPROPRIATION		
(i) Proposed Dividend	172.72	172.72
(ii) Corporate Dividend Tax	29.35	29.35
(iii) Transfer to General Reserve	100.00	517.92
(iv) Surplus carried to Balance Sheet	2165.30	1548.18

2. PERFORMANCE REVIEW

During the year under review your Company recorded a stable and sustained performance. In spite of adverse market conditions, your Company has achieved a turnover of Rs. 20042.94 Lacs as compared to Rs. 17691.85 Lacs during the previous year, thereby showing an increase of 13.29%. The Net Profit of the Company has increased by 16.19% from Rs. 791.08 Lacs in previous year to Rs. 919.19 Lacs in the current year.

In spite of global recession started in the second half of the year, the Company has managed reasonable level of turnover & profitability. The same was made possible due to various initiatives of the management for cost reductions, economizing of operation and effective utilization of resources.

3. FUTURE OUTLOOK

In order to remain competitive and being a global leader in the Auto Ancillary Sector, the Company has taken various initiatives towards product enrichment, diversification and consolidation. The Company remains committed to adding new product ranges as per the global market surge. Continuous innovation and Research and Development on the existing product range were carried out throughout the year under review.

4. DIVIDEND

Your Director's are pleased to recommend the payment of dividend @ 20% i.e. Rs. 2 per share on 8,635,990 fully paid-up Equity Shares of Rs. 10 each for the financial year 2008-09 subject to the approval of Shareholders in the ensuing Annual General Meeting.

5. TRANSFER TO GENERAL RESERVE

The Company proposes to transfer Rs. 100 Lacs to the General Reserve out of the amount available for appropriations and an amount of Rs. 2165.30 Lacs is proposed to be retained in the Profit and Loss Account.

6. ACQUISITION OF BUSINESS OF THE MANUFACTURING UNITS

In order to expand the business of the Company into similar line of Business, your Company has acquired running business of manufacturing units of Minda SM Technocast Limited and Tuff Surface Furnishing Private Limited w.e.f. April 1, 2009.

7. PARTICULARS REQUIRED AS PER SECTION 212 OF THE COMPANIES ACT, 1956

The Company has obtained exemption from the Government of India, Ministry of Corporate Affairs from attaching the financial accounts of subsidiary Company to this report pursuant to section 212 of the Companies Act, 1956. A statement pursuant to exemption received U/s 212(8) of the Companies Act, 1956 relating to subsidiary company for the year ended March 31, 2009 is enclosed this Annual Report. The annual accounts of the subsidiary company and related detailed information will be made available to the holding and subsidiary Companies investors seeking such information at any point of time. The annual accounts of the subsidiary Company will also be kept for inspection by any investor in its head office and that of subsidiary Company concerned. The investors, if they desire, may write to the Company to obtain a copy of the financials of the subsidiary company.

8. CORPORATE GOVERNANCE

A separate section on Corporate Governance, forming a part of the Director's Report and the certificate from the Company's auditors confirming compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement, is included in the Annual Report. The Managing Director and Chief Financial Officer of the Company have issued necessary certificate to the Board in terms of clause 49 (V) of listing agreement with Stock Exchange for the Financial Year ended March 31, 2009.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

10. FIXED DEPOSITS

During the year under review your Company has not accepted any deposit under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

11. BOARD OF DIRECTORS

During the year under review the Board co-opted Mr. S. C. Gupta as an Additional Director and Independent Director w.e.f. July 28, 2008, who shall hold office upto the date of ensuing Annual General Meeting. The requisite notice along with required deposit has been received by the Company under Section 257 of the Companies Act, 1956 proposing the appointment of Mr. S. C. Gupta as Director, liable to retire by rotation at the ensuing Annual General Meeting.

The Board of Directors recommends the appointment of Mr. S.C. Gupta in the best interest of the Company.

During the year, Mr. B. R. Agarwal resigned from the Directorship of the Company w.e.f. January 28, 2009, the Board of Directors places on record its appreciation for his contribution during his tenure as Director of the Company.

In accordance with the requirement of the Companies Act, 1956, Mr. A. P. Gandhi, Director retiring by rotation at the ensuing Annual General Meeting being eligible, offer himself for re-appointment.

The details of Directors being recommended for appointment as well as re-appointment, pursuant to Clause 49 of the Listing Agreement are contained in the accompanying Notice of the ensuing Annual General Meeting of the Company.

12. STATUTORY STATEMENTS

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, your Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure was made for the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on March 31, 2009;
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in the **Annexure - I** to this report.

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, are given in the **Annexure - II** to this report.

13. AUDITORS:

M/s R.N. Saraf & Co., Chartered Accountants, retires at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from them pursuant to Section 224(1B) of the Companies Act 1956, confirming their eligibility for re-appointment

14. AUDITORS' REPORT

All observations made in the Auditors' Report and notes to the accounts are self-explanatory and do not call for any further comments under section 217 of the Companies Act, 1956.

15. LISTING

The Equity Shares of your Company are continued to be listed at Delhi Stock Exchange Association Limited and Madras Stock Exchange Limited and the Company has paid the listing fees for the year 2009-10.

16. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

The relations with the employees continued to remain cordial throughout the year. The Management wishes to place on record, the

excellent cooperation and contribution made by the employees at all levels of the organization to the continued growth of the Company.

Cordial Industrial Relations and improvements in productivity were maintained at all of the Company's plants and offices during the year under review.

17. ACKNOWLEDGEMENTS

Your Board of Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all the employees of the Company, as well as shareholders, customers, suppliers, bankers and the governments of Delhi, Uttrakhand, Uttar Pradesh and Maharashtra.

For and on behalf of the Board of
MINDA CORPORATION LIMITED

Place : Noida
Date : June 26, 2009

Jeevan Mahaldar
Managing Director

A. P. Gandhi
Director

**ANNEXURE I TO THE DIRECTORS' REPORT TO THE SHAREHOLDERS
INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956**

A. CONSERVATION OF ENERGY

a) Energy Conservation Measures taken

The Company is not engaged in the high power intensive industry. However, keeping in mind the growing importance of conservation of energy, management reviews from time to time the measures taken as well as proposed to be taken for conservation of energy.

The important measures taken are as under:

- (i) Installation of 24 W tube light for street light / Assembly.
- (ii) Started using 36 W tube light in place of conventional 40 W tube light.
- (iii) Reduced water consumption by 10% as compare to year 2007-08 and 40% as compare to year 2006-07.
- (iv) VFD provided in compressor for power saving (10% saving).
- (v) Power factor benefit achieved.
- (vi) By arresting air leakages reduced air consumption by 10%.
- (vii) One solar light installed as a trial purpose.
- (viii) AC temperature maintained 26 degree as compare to previous year 24 degree.
- (ix) Tool room re-lay outing for better utilization of Power & Space.
- (x) AC / Lighting On-Off timing fixed to reduce power consumption.

b) Additional Investments and proposals if any being implemented for reduction of consumption of energy:

- (i) Company will explore possibility of using solar lights.
- (ii) All street lights to be converted in CFL.
- (iii) Air Coolers / Fan to be provided in place of AC.
- (iv) Maximum use of sun light for all new installations.

c) Impact of the measures (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

The adoption of energy conservation measures indicated above has resulted in reasonable amount of saving in energy consumption.

d) Total energy consumption per unit of production as per Form "A" of the Annexure in respect of industries specified in the schedule thereto.

Form "A" is not applicable, as the Company does not fall under the list of Industries specified in the Schedule amount of saving in energy consumption.

B. TECHNOLOGY ABSORPTION

(i) Research and Development (R & D) - FORM "B"

1. Specific areas in which R & D carried out by the Company

Design and Development of Locksets with advanced Key Systems designs for higher security at lesser incremental cost. Development of new concepts of magnetic lock to cater to the upcoming requirements of OEMs, especially the Japanese customers requiring such devices for scooters. Design and Development of Electronic Immobiliser systems for two wheelers. Design and Development of window Regulators for cars and SUVs. Design and Development of controllers for E-Bike.

2. Benefit derived as a result of above R&D

- a) Development of Locksets with advanced key system designs not only gives edge over competition but also establishes the image of Minda Corporation Ltd. as an innovative Company, which provides latest technology support to its customers. This will result into getting us and a foothold in new markets.
- b) Development of magnetic module, which is a device fitted on top of the ignition lock to prevent unauthorised use, will result into getting business from Japanese

OEMs like Honda, Suzuki, etc. The device will also help in generating additional revenues. Since Minda Corporation Ltd. has filed patents on the designs of magnetic module, this will help in business protection in the long run.

- c) Development of window regulators has helped in derisking the business as previously, the complete dependence was on the two wheeler customers. The product segment will generate additional revenues from four wheelers segments.
- d) Design and Development of electronic Immobilizer systems is helping Minda Corporation Limited to cater to futuristic requirements of its customers. Already some of the customers have initiated joint development of these products with Minda Corporation Limited.
- e) E-Bike being on emerging 2W segment, Minda Corporation Ltd. decided to enter into this segment having capability for Electronics, Design and Development, a Technical Assistance Agreement was done with NEC of Japan to design and manufacture Controllers for E-bikes.

3. Future Plan of Action.

In the security systems development, the focus will be on innovation- both in mechanical as well as Electronic Security Systems. Minda Corporation Limited will enhance its focus on innovations, filing, patents and providing innovative solutions to its customers.

In the Window Regulator segment, the focus will be on design and development of different types of Window Regulators to address requirements of CARS, SUVs and COMMERCIAL VEHICLES.

Backward integration for cable manufacturing for Window Regulators will also be done.

For addressing futuristic requirements of E - bike customers, the new features will be added in the Controllers after the absorption of technology.

4. Expenditure on Research and Development

	(Rs. in Lacs)	
	2008-09	2007-08
a) Capital Expenditure	170.19	119.55
b) Recurring Expenditure	176.16	119.67
c) Total	346.35	239.22
d) Total R & D expenditure as a percentage of total turnover	1.59%	1.21%

ii) Technology absorption, adaptation and innovation

1. Efforts, in the brief, made towards technology absorption, adaptation and innovation.

- a) Exposure given to Engineers through trainings on Power Window Regulators manufacturing.
- b) Knowledge sharing through collaboration, external consultants to enhance knowledge of Minda Corporation Limited engineers.

2. Benefit derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

- a) Engineers are now self sufficient to design, develop and manufacture, Manual and Power Window Regulators.
- b) In electronics, the engineers have developed new concepts, resulting into increase Customer's confidence.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.

- a) Technology imported
Design of Window regulators from Castellon, Spain
- b) Year of Import
2007
- c) Has technology been fully absorbed ?
Partially absorbed, in process of absorbing completely.
- d) If not fully absorbed areas where this has not taken place, reasons thereof and future plans of action
Manufacturing and Testing

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

i) EXPORT ACTIVITIES

► Activities relating to export; initiative taken to increase export; development of new export markets for products and services and export plans.

- a) Added many Two-wheeler customers in European & ASEAN markets.
- b) Addition of new customers in Europe through Subsidiary Company.

ii) TOTAL FOREIGN EXCHANGE USED AND EARNED

► Foreign Exchange Used

- a) Traveling - Rs. 13.92 Lacs (Previous year Rs. 13.11 Lacs)
- b) CIF value of import Rs. 423.53 Lacs (Previous year Rs. 1178.90 Lacs)
- c) Commission on sales Rs. 39.43 Lacs (Previous year Rs. 36.05 Lacs)
- d) Legal & Professional Rs. 12.05 Lacs (Previous year Rs. 1.80 Lacs)
- e) Repair and Maintenance (P&M) Rs. 3.82 Lacs (Previous year Nil)
- f) Technical Know how fee Rs. 24.91 Lacs (Previous year Rs. 23.11 Lacs)
- g) Investment in Wholly Owned Subsidiaries Rs. 601.90 Lacs (Previous year Rs. 3570.17 Lacs)

► Foreign Exchange Earned

- a) FOB value of Export Rs. 3925.18 Lacs (previous year Rs. 3284.55 Lacs)
- b) Royalty Rs. 307.57 Lacs (Previous Year Rs. 185.12 Lacs)
- c) Technical know-how Rs. 243.57 Lacs (Previous year Rs. 218.52 Lacs)

ANNEXURE TO THE DIRECTORS REPORT

Statement Pursuant To Section 212 Of The Companies Act, 1956 Relating To Subsidiary Company

1. Name of the Subsidiary Company
Minda Europe B. V.
2. Financial Year of Subsidiary Company ended on
31.03.2009
3. a) No. of shares held at the end of the financial year
3000 Equity Shares of Euro 100 each
- b) Extent of Interest at the end of the financial year
100%

4. Net aggregate amount of Profit / (Loss) of the Subsidiary Company so far as it concerns the members of the holding Company.

(Rs. in Lacs)

a) Not dealt with in the accounts of the holding Company:-

- For the subsidiary's financial year ended 31.03.2009	226.07
- For the previous financial years of the subsidiary since it becomes subsidiary	(181.26)

b) Dealt with in the accounts of the Holding Company

- For the subsidiary's financial year ended 31.03.2009	NIL
- For the previous financial years of the subsidiary Company since it becomes subsidiary.	NIL

For and on behalf of the Board of
MINDA CORPORATION LIMITED

Place: Noida

Date: June 26, 2009

Jeevan Mahaldar
Managing Director

A. P. Gandhi
Director



ANNEXURE II TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975, AS AMENDED, AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED ON MARCH 31, 2009.

Full Time of the year

Sr. No.	Name	Age	Designation	Date of Commencement of Employment	Gross Remuneration (Rs.)	Qualifications	Experience (Years)	Name of Previous Employer
1.	Mr. Jeevan Mahaldar	50	Managing Director	08.01.07	7,407,963	MBA, B. Tech (Mech)	29	Tata Ficosa Automotive Systems Ltd.
2.	Mr. R. K. Aggarwal	49	Chief Financial Officer	03.09.07	2,777,930	B.Com(H), FCA	23	Everest Industries Ltd.

Notes:

1. The nature of employment in all above cases is contractual as per the rules and conditions of the Company.
2. Remuneration includes basic salary and allowances as per Company Policy.
3. None of the employees are related to any director of the Company.
4. None of the employees own more than 2% of the outstanding shares of the Company as on March 31, 2009.

For and on behalf of the Board of
MINDA CORPORATION LIMITED

Place: Noida
Date: June 26, 2009

Jeevan Mahaldar
Managing Director

A. P. Gandhi
Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

India's economic growth rate eased to 6.7 percent for the fiscal year, down from 9 percent growth in gross domestic product. The downward GDP growth rate is mainly on account of lower performance in almost all the sectors, excluding construction and community, social and personal services, than anticipated.

During 2008-09 global recession which began during the later half of 2008, has devastated the global auto industry with pinching effects on the Indian auto industry. India is a strong and growing economy but the hit of recession has put red marks on the entire balance sheet of the Indian economy. The situation was very critical because of the global financial crisis and the related credit crunch placed pressure on the prices of raw materials. The growth of your company has also slowed down due to hit of global recession and financial crisis. After recessionary six months, fortuitously, domestic automotive industry production was up by 10.19% and sales up by 10.76%, in the month of April, 2009. According to data released by the Society of Indian Automobile Manufacturers (SIAM), the segment is registering sequential growth for stabilizing the Indian Economy. Indian Government has also injected few financial booster packages in the last six months as well as decisions to cut central excise duty and service tax have assisted the Indian automakers to cut prices and create demand to come out the hit of recession.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian auto component industry is one of India's sunrise industries with tremendous growth prospects. From a low-key supplier providing components to the domestic market alone, the industry has emerged as one of the key auto components centres in Asia and is today seen as a significant player in the global automotive supply chain. India is now a supplier of a range of high-value and critical automobile components to global auto makers such as Toyota, Ford and Volkswagen amongst others. The table given below indicates the analysis of the sales of automotive industry during 2008-09 :-

Segment	(Sales Figures in 000')			
	2008-09	Growth (%)	2007-08	Growth (%)
Passenger Vehicle	1888	6.79	1768	11.82
Commercial Vehicles	427	-22.22	549	5.51
Three Wheelers	498	-1.58	506	-7.64
Two Wheelers	8442	4.63	8068	-4.99
Total	11255	3.34	10891	-2.25

(Source : ACMA)

The analysis of the sales data clearly indicates that in spite of the recession in the world economy the overall sales of the Indian automotive industry has recorded a positive growth rate of 3.34% as compared to negative growth rate of 2.25% during the year 2007-08. However, due to recession the individual growth rate in Passenger Vehicles and Commercial Vehicles has gone down from 11.82% to 6.79% and 5.51 to -22.22% respectively.

Despite recent headlines that sound discouraging, the automotive industry remains a stable, profitable arena. The industry is extremely large and reporting on such a huge industry may sound extreme without context.

The automotive Industry in India is now working in terms of the dynamics of an open market. Many joint ventures have been set up in India with foreign collaboration, both technical and financial with leading global manufacturers. Also a very large number of joint ventures have been set up in the auto-components sector and the pace is expected to pick up even further. The Government of India is keen to provide a suitable economic and business environment conducive to the success of the established and prospective foreign partnership ventures. Large investment is envisaged in the new vehicles projects.

OUTLOOK

The present market conditions of the auto component industry are very competitive. Your Company has already decided to expand its business activities to enhance its share both for OEM and after market.

During the year 2008-09, your company decided to takeover the running business of two manufacturing units of Minda S.M. Technocast Limited engaged in the business of die-casting of manufacturing of automotive components located at Pune and Greater Noida and one manufacturing unit of Tuff Surface Finishing Private Limited located at Greater Noida w.e.f. April 01, 2009. These units have been successfully taken over by your company. This acquisition has strengthened the company's manufacturing base with in-house die-casting units and engineering services for manufacturing of tools and dies. It has also enable your company to expand its customer base.

Your company is also in the process of discussion with the prospective foreign collaborators both for technological and financial for up-gradation of technology for the existing product range, introduction of new range of components considering the future demand from



automakers in India and abroad. Your company has already started production of window regulators for cars and is also expected to introduce new range of products such as Wiper System for four wheelers and e-Bike Controllers for BLDC motors both for OEM and After market in India and abroad. In order to develop high quality products for Japanese OEM's, the Company has established a Design Centre in Tokyo, Japan in association with the group Companies.

OPPORTUNITIES AND THREATS

Opportunities

There is a perceptible exuberance in the Indian auto component manufacturing industry and growth estimates indicate a booming industry.

Going by current trends in production and exports of auto components, the domestic Indian auto component manufacturing industry is heading for a whopping growth in the coming years.

The three main factors providing impetus to this industry are the ever increasing domestic automobile industry (two-wheelers, commercial vehicles and passenger cars), the aftermarket sales and servicing industry and the outsourcing of component manufacturing to India by the global titans.

The global auto component industry is being sourced from low cost countries like India. India is estimated to have the potential to become one of the top five auto component economies. Significant opportunities may be realized through diversification of export basket by Indian auto component manufacturers.

Threats

Even as Indian auto component industry is making its presence felt in the global markets, Chinese component makers have started to pose a serious threat to India's hopes of becoming a major global player. Increase in input costs and constant appreciation of the rupee against the US dollar has put tremendous cost pressures on the Indian auto component manufacturers.

The presence of a large counterfeit components market poses a significant threat. Pressure on prices from OEMs continues and imports pose price based competition in the replacement market.

The need of the hour is to focus on its competitiveness, learn the best manufacturing practices, be quality conscious and at the same time inculcate a prompt delivery culture. For the Indian auto-component industry to achieve its ambitious targets, it is imperative that it transform its competitive advantages from cost to value.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company's business activity falls within a single business segment in terms of Accounting Standard-17 on Segmental Reporting. Hence there is no separate reportable segment.

RISKS AND CONCERNS

India's auto component industry faced mounting pressures as margins have been squeezed, the appreciating rupee value made exports non-competitive and fierce competition from foreign players increased. Indian auto component makers are continuing to struggle against the backdrop of rising input costs for materials such as steel and rubber. Furthermore, as India is a labor-intensive economy, increasing labor costs caused by inflationary pressures have only increased the working capital requirement for manufacturers. These factors are pushing India towards becoming a net importer of auto components.

Indian auto component manufacturers have crossed borders in their efforts to increase their sales base and hedge the rising production costs at home. In addition to acquiring design-engineering companies abroad in order to support product innovation requirements, many Indian auto component manufacturers are outsourcing by setting bases in China and Asian Countries or import of low cost components from China and other Asian Countries.

Domestic auto component manufacturers will need to target their R&D efforts towards producing parts that are price-efficient, environmentally friendly and customized to meet the precise specifications of global vehicle manufacturers. Any advances in these areas will lead to consolidation among smaller players, intensifying competition for domestic market leaders and foreign entrants, and causing margins to slide even further.

From an investment point of view, however, the situation in India's auto market is far from gloomy. Also, the sanction of the much-required modernization/upgrade fund from the Indian government, which will be used to support domestic sub-component manufacturers, should insulate their operations. Although India's auto component industry has traditionally been dependent upon exports for its profits, with burgeoning opportunities in the country itself, manufacturers may be able to offset China and other Asian countries' long-held production advantage in the next few years, and help the industry to reach its targets.

In order to safeguard the industry in the areas where it lacks competitiveness, industry bodies are proposing certain import restrictions. For example, the Auto Components Manufacturers Association has announced restrictions on the import of tires from China.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company has adequate internal control system in place. Your company is having a process for internal control being carried out by the Board of Directors, management and personnel of the company, which is designed to provide reasonable assurance that the following objectives are achieved:-

- Operational and financial efficiency;
- Reliability of financial reporting;
- Regulatory compliance.

The Board of directors of has formed an internal audit committee consisting of independent directors to review the internal audit reports and financial performance of the company from time to time on need basis and suggests different methods to correct the operating systems of the organization to meet global challenges. The work distribution both at office and factory level are so distributed that the work done by each individual is cross checked by the next level employee to ensure efficiency and correctness of the transactions. The Company is also having a Management Information System (MIS) in place to report all technical and financial transactions to the top level management for review.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review your Company performed reasonably well in spite of adverse market conditions globally. The Company has achieved a turnover of Rs. 20042.94 Lacs as compared to Rs. 17691.85 Lacs during the previous year, thereby showing an increase by 13.29%.

The Net Profit of the Company has increased from Rs. 791.08 Lacs in previous year to Rs. 919.19 Lacs in the Current year registering a growth of over 16.19%.

These results have been achieved through a dedicated team of management, effective marketing strategy and timely guidance from the top level management including Board of Directors of the Company.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

Human Resource Development is the framework for helping employees develops their personal and organizational skills, knowledge, and abilities. Human Resource Development includes such opportunities as employee training, employee career development, performance management and development, coaching, succession planning, key employee identification and organization development.

The focus of all aspects of Human Resource Development is on developing all employees so that the organization and individual employees can accomplish their personal and organizational goals.

The Company recognizes the importance and contribution of its Human Resources for its growth and development and is committed to the development of its people. The Company has started introducing methods and practices for Human Resources Development.

The Company has also started implementation of various techniques like 5-S, Kaizen, PQCDSM etc. for improvement in productivity and efficiency of its employees.

Industrial relations were cordial and satisfactory.

As on March 31, 2009 the Company has 1000 Employees in its factories and various offices.

CAUTIONARY STATEMENTS

Statements in the Management's Discussion and Analysis describing the Company's estimates or expectations may be 'forward looking predictions' within the meaning of applicable securities laws and regulations. Actual results may differ from such estimates, projections, etc., whether expressed or implied. Factors which would make a significant difference to the Company's operations include achievement of better quality and good market price in domestic and overseas market, changes in Government regulations and tax laws, economic conditions affecting demand / supplies and other environmental factors over which the Company does not have any control.

CORPORATE GOVERNANCE REPORT

(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

Your Company has complied in all material respects, with the requirements of the Corporate Governance Code as per clause 49 of the listing agreement with the Stock Exchanges.

A report on the implementation of the Corporate Governance Code of the listing agreement by your Company is furnished below:

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Good Corporate Governance practices requires from a Company that it functions as a unit which is able to meet its obligations, optimize shareholders' value and be accountable towards the community, customers, employees, Government and other segments of the society.

The Company believes that the corporate governance is not only about creating checks and balances. Transparency, fairness, disclosure and accountability are central to the working of the Company and its Board of Directors. It is also about creating an outperforming organization, which leads to increasing employee and customer satisfaction and delivering shareholder value by ensuring timely and transparent, financial as well as managerial disclosures.

Your Company is open, accessible and consistent with communication. Minda Corporation Limited shares a long term perspective and firmly believes that good Corporate Governance practices underscore its drive towards competitive strength and sustained performance. Thus, basic Corporate Governance norms have been institutionalized as an enabling and facilitating business process at the Board, Management and at all operational levels.

I. BOARD OF DIRECTORS

a) Composition and Category of Directors:

The Company has a broad-based Board and meets the 'Composition' criteria. As on March 31, 2009, the Board of Minda Corporation Limited consisted of 5 (Five) Directors, of whom 4 (Four) Non Executive Directors and 1 (One) Executive Director.

Out of all 5 (Five) Directors, there were 3 (Three) independent. The Board has no Institutional Nominee Directors.

According to Clause 49, if non-executive Chairman is a promoter of the Company, at least one half of the Board of the Company shall consist of independent directors. This provision is adequately met at Minda Corporation Limited.

The composition of Executive Independent Directors, Non-Executive Directors and Non-Executive Independent Directors are clearly mentioned in the below table.

Category	No. of Directors	Percentage
Non Executive Directors	2	40%
Executive Independent Directors	1	20%
Non Executive Independent Directors	2	40%
TOTAL	5	100%

b) Non-executive directors' compensation

A sitting fee of Rs. 2000.00 per meeting is paid to the Non-Executive Independent Directors, whereas Non Executive Directors have waived off there fee. This has been fixed by the Board of Directors.

c) Other provisions as to Board and Committees

Details of attendance of each Director at the Board Meetings and the last AGM, directorship and membership in other companies for each director are given below: (Dates of all Board Meetings also mentioned)

During the year the Board duly met four times on 27.05.2008, 28.07.2008, 21.10.2008 and 28.01.2009.

Name of the Director	Designation	Category*	Attendace Total 4 Board Meetings held during the financial year 2008-09	Particular Last AGM held on 28.07.2008	No. of the Companies in which they holds the Directorship	All Board's Committees	
						Chairman	Member
Mr. Ashok Minda	Chairman	NED	4	Present	13	2	4
Mr. Nirmal K. Minda	Director	NED	1	-	17	2	2
Mr. Jeevan Mahaldar	Managing Director	EID	4	Present	1	-	1
Mr. A P Gandhi	Director	NEID	4	Present	13	6	3
Mr. S. C. Gupta	Director	NEID	1	-	9	-	2
** Mr. B R Agarwal	Director	NEID	3	Present	3	5	2

* NED-Non-Executive Directors, NEID-Non Executive Independent Directors EID-Executive Independent Directors.

** Ceased to be a Director w.e.f. 28.01.2009.

d) **Code of Conduct:**

The Company has in place the code of business conduct for all Board members and senior management of the Company duly approved by the Board. The Code has been communicated to directors and the members of the senior management. The Code has also been posted on the website of the Company. All Board members and senior management personnel have affirmed compliances with the code for the year ended March 31, 2009. The annual report contains a declaration to this effect signed by the Managing Director of the Company.

II. AUDIT COMMITTEE

- a) The terms of reference stipulated by the Board of Directors to the audit committee are as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.
- b) The Audit Committee consists of three directors as its members viz. Mr. Jeevan Mahaldar, Chairman, Mr. A. P. Gandhi, Member and Mr. S. C. Gupta, Member.
- c) The particulars of meetings and attendance by the members of the Committee during the year under review are given in the table below:

Name of the Member	Status	No. of Meetings Attended	Category	Date of Meeting
Mr. Jeevan Mahaldar	Chairman	4	Executive Independent Director	27.05.2008 28.07.2008
Mr. A. P. Gandhi	Member	4	Non-Executive Independent Director	21.10.2008
Mr. S. C. Gupta	Member	–	Non-Executive Independent Director	27.01.2009
*Mr. B. R. Agarwal	Chairman	4	Non-Executive Independent Director	27.10.2008

* Ceased to be a Director w.e.f. 28.01.2009.

In addition to the members of the audit committee, these meetings are attended by the Heads of accounts & finance and other respective functional heads, internal auditors and statutory auditors of the Company, wherever necessary, and those executives of the Company who are considered necessary for providing inputs to the committee. Members have discussions with the statutory auditors during the meetings of the committee and the quarterly/half-yearly and annual audited financials of the Company are reviewed by the audit committee before consideration and approval by the Board of Directors. The committee also reviews the internal control systems, IT systems and reports of the internal audit.

- d) The Chairman of the committee was present at the annual general meeting held on 28.07.2008.
- e) Mr. Ajay Sancheti, Company Secretary of the Company acts as the secretary of the Audit Committee.
- f) The terms of reference of the Audit Committee as broadly as under:
- Overseeing of the company's financial reporting process and the disclosure of its financial information.
 - Reviewing with the management quarterly and annual financial statements.
 - Reviewing the related party transactions.
 - Recommending to the board the appointment / reappointment / replacement of the statutory auditors and the audit fees payable and fees paid for other services rendered by the statutory auditors.
 - Review of management discussion analysis of financial conditions and results of operations and other matters specified under clause 49 of the Listing Agreement.
 - Review of financial statements, in particular the investments made by the unlisted subsidiary.
 - In addition, review of such other functions as envisaged under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges.

III. REMUNERATION COMMITTEE

a) **Constitution and Composition of the Committee**

The Board of Directors had constituted a Remuneration Committee in the year 2007. The present composition of the Remuneration Committee is as follows:

Name of the Member	Status	No. of Meeting attended	Category	Date of Meeting
Mr. A. P. Gandhi	Chairman	1	Non-Executive Independent Director	28.07.2008
Mr. Ashok Minda	Member	1	Non-Executive Director	
Mr. S. C. Gupta	Member	–	Non-Executive Independent Director	
*Mr. B. R. Agarwal	–	1	Non-Executive Independent Director	

* Ceased to be a Director w.e.f. 28.01.2009.

b) Terms of Reference

The Remuneration Committee has been entrusted with the following responsibilities:

- To review and grant annual increments to Managing Director.
- To vary and/or modify the terms and conditions of appointment/re-appointment including remuneration and perquisites, commission etc. payable to Managing Director within the overall ceiling of remuneration as approved by the members.
- To suitably suggest changes based on changes in Schedule XIII of the Companies Act, 1956 and/or any amendments and/or modifications that may be made by the Central Govt. from time to time.
- To do all such acts, deeds, things and execute all such documents, instruments and writings as may be considered necessary, expedient or desirable on this subject.

c) Remuneration of Directors

All pecuniary relationship or transactions of the non-executive directors with the Company: There is no transaction with the associates or relatives of the non-executive directors during the financial year.

Number of shares and convertible instruments held by non-executive directors:

Sl. No.	Name of the Director	No. of equity shares held
1.	Mr. Ashok Minda	1916631
2.	Mr. Nirmal K. Minda	NIL
3.	Mr. Jeevan Mahaldar	NIL
4.	Mr. A. P. Gandhi	NIL
5.	Mr. S. C. Gupta	NIL
*6.	Mr. B. R. Agarwal	350

* Ceased to be a Director w.e.f. 28.01.2009.

No convertible instrument is issued by the company.

Remuneration Policy

The Remuneration Policy of the Company is to link the remuneration payable to the directors and employees with the performance of the Company. Further no sitting fee is paid to the executive directors. The information/details to be provided under Corporate Governance Code with regard to remuneration of directors is as follows:

Details of Remuneration paid to directors for the year 2008-2009:

a) Executive Directors:

(Amount in Rs.)

Sl. No.	Name	Salary	P.F.	Benefits and other allowances	Total
1.	Mr. Jeevan Mahaldar	6,787,872	5,09,091	1,11,000	7,407,963

Mr. Jeevan Mahaldar was appointed by the Board of Directors at their meeting held on 08.01.2007 for a period of 5 (Five) years w.e.f. 08.01.2007.

The tenure of office of the Managing Director is for a period of 5 years from his respective dates of appointments and can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.

b) Non- Executive Directors:

(Amount in Rs.)

Name of the Non-Executive Director	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Mr. Ashok Minda	Nil	Nil	Nil
Mr. Nirmal K. Minda	Nil	Nil	Nil
Mr. A P Gandhi	8000	Nil	8000
Mr. S. C. Gupta	2000	Nil	2000
*Mr. B. R. Agarwal	6000	Nil	6000

* Ceased to be a Director w.e.f. 28.01.2009.

IV. SHAREHOLDER'S/INVESTOR'S GRIEVANCES COMMITTEE

a) Composition

The Shareholders Grievance Committee consists of three Directors as its members viz. Mr. A. P. Gandhi (Chairman-Non-Executive Independent Director), Mr. Ashok Minda (Non-Executive Director) and Mr. S. C. Gupta (Non-Executive Independent Director). Mr. Ajay Sancheti, who is Company Secretary and Compliance Officer of the Company is also the Secretary to the Committee.

b) Terms of Reference

The functioning and terms of reference of the Committee are to oversee various matters relating to redressal of Shareholders Grievances as given below:-

c) Non-Receipt of share certificates

- Letters from Stock Exchanges, SEBI, etc.;
- Matters relating to dematerialization/rematerialisation of shares;
- Non-receipt of Balance Sheet;
- Non-receipt of Dividend;
- All other matters related to shares

d) Shareholders complaints and disposal thereof

The complaints of the shareholders are either addressed to the Company Secretary or Share Transfer Agent of the Company i.e. M/s Skyline Financial Services Pvt. Ltd. The status of pending shareholder's/ investor's complaints is regularly reviewed at the Shareholders'/ Investors' Grievance Committee Meeting as well as in the board meetings itself on quarterly basis.

- The Company has received 2 complaints during the year. All the complaints were promptly attended to and outstanding complaints as on 31.03.2009 were Nil.
- Number of pending share transfer: There was no pending share transfer as on 31.03.2009.
- The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

e) Name and Designation of the Compliance Officer

- Mr. Ajay Sancheti, Company Secretary is the Compliance Officer in terms of Clause 47 of the Listing Agreement.

f) Secretarial Audit

A qualified practicing Company Secretary carried out secretarial audit on a quarterly basis to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

V. GENERAL BODY MEETINGS

a) Location and time, where last 3 (three) AGMs were held:

AGM	Financial Year	Venue	Date	Time
23rd	2007-08	PHD Chamber of Commerce, PHD House, Opposite Asian Games Village, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016, India	28.07.2008	2.30 P.M.
22nd	2006-07	— Do —	29.09.2007	3.30 P.M.
21st	2005-06	— Do —	25.08.2006	3.30 P.M.

b) Whether special resolutions were put through postal ballot this year, details of voting pattern:

No special resolution was put through postal ballot during 2008-09.

c) None of the subjects placed before the shareholders in this Annual General Meeting requires approval of shareholders by postal ballot.

d) Special Resolutions passed in the previous 3 (Three) AGM

Year	Subject Matter of Special Resolution	Date of AGM
2007-2008	Nil	28.07.2008
2006-2007	Appointment and fixation of remuneration of Mr. Jeevan Mahaldar as Managing Director of the Company	29.09.2007
2005-2006	Nil	25.08.2006

VI. DISCLOSURES

a) **Disclosures on materially significant related party transactions that may have potential conflict with the interest of the company at large.**

During the year, the Company has not entered into any transaction of material nature with the directors, their relatives or management which is in conflict with the interest of the Company.

The transactions with the related parties, namely its promoters, its subsidiary and associate Companies etc., of routine nature have been reported elsewhere in the annual report as per Accounting Standard 18 (AS 18) issued by the Institute of Chartered Accountants of India.

b) **Details of any non compliances by the Company:** No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets for noncompliance by the company during the last three years on any matter related to capital market.

c) **Disclosure of Accounting Treatment:** The Company has prepared its financial statement as per the Accounting Standard prescribed by the Institute of Chartered Accountants of India. There is no deviation in the Accounting Treatment.

d) **Risk Management:** The Company has procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

e) The Managing Director and Chief Financial Officer of the Company have certified to the board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended March 31, 2009.

f) **Disclosure of relationship between Directors inter se:** Chairman Mr. Ashok Minda has blood relation with Mr. Nirmal K. Minda (elder brother) apart from this the directors have no material or pecuniary relationship inter se among themselves, whether directly or indirectly.

VII. MEANS OF COMMUNICATION

Quarterly results	The results of the company were published in newspapers and sent to Stock Exchanges. The results were also displayed at the Company's website.
Which newspaper normally published in	The Economic Times, Nav Bharat Times
Any website where displayed	Company's website - www.minda.co.in
Whether it also displays official news releases	Yes, At the Company's website
The presentations made to institutional investors or to the analysts	None during the year

VIII. GENERAL SHAREHOLDERS INFORMATION:

a) **24th Annual General Meeting:**

Venue	:	PHD Chamber of Commerce, PHD House, Opp. Asian Games Village, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016, India
Time	:	2:30 p.m.
Day & Date	:	Friday, September 11, 2009

b) **Financial Calendar: 2009 – 10 (Tentative)**

Financial Year	April 2009 to March 2010	
Annual General Meeting	During July- September 2010	
Financial reporting for the quarter ending		Tentative Date
1. First Quarterly Results (June 2009)	(Unaudited - Limited Review)	July, 2009
2. Second Quarterly Results (September 2009)	_____Do_____	October, 2009
3. Third Quarterly Results (December 2009)	_____Do_____	January, 2010
4. Fourth Quarterly Results (March 2010)	_____Do_____	April, 2010
5. Annual Results	(Audited)	June, 2010

c) **Book Closure:** Share Transfer Books and Register of Members shall remain closed from 01.09.2009 to 11.09.2009 (both days inclusive).

d) **Dividend:** The Board of Directors has proposed a dividend @ 20% (i.e. Rs. 2 per share) on 8,635,990 Nos of fully paid-up Equity Shares of Rs. 10 each for Financial Year 2008-09.

e) **Listing on Stock Exchanges and Stock Codes:**

S.No.	Name & Address of the Stock Exchange	Stock Code
1.	The Delhi Stock Exchange Association Ltd., DSE House, 3/1 Asaf Ali Road, New Delhi - 110 002	6543
2.	Madras Stock Exchange Ltd., Exchange Building, Post Box- 183, 11, Second Line Beach, Chennai - 600001	Minda HUF
3.	ISIN allotted by Depositories (Company ID Number)	INE842C01013

Annual Listing Fees for the year 2009-2010 have been duly paid to the above stock exchanges.

f) **Market Price Data**

There is no trading in Delhi and Madras Stock Exchanges where the shares of the Company are listed. Therefore market data is not available.

g) **Registrar and Transfer Agents:**

Skyline Financial Services Pvt. Ltd. 123, Vinoba Puri, Lajpat Nagar- II, New Delhi -110024.

h) **Share Transfer System & RTA:**

The share transfer requests received in physical form by the Company or the Company's Registrar and Share Transfer Agent are registered within a period of 15 days from the date of receipt. Requests for dematerialization received from the shareholders are effected within an average period of 7 days.

i) **Details of shareholding as on March 31, 2009:**

S.No.	Category	No. of Shares Held	% Shareholding
1.	Promoters & Promoters Group	5644764	65.36
2.	Indian Public	2991226	34.64
	TOTAL	8635990	100

j) **Details of shareholding as on March 31, 2009:**

Shareholding (Range)	No. of shares of Rs. 10 each	% of Shares	No. of Members	% of Members
Up to 500	11803	0.14	139	64.35
501-1000	27750	0.32	39	18.06
1001-2000	19775	0.23	13	6.02
2001-3000	4900	0.06	2	0.93
3001-4000	7350	0.09	2	0.93
4001-5000	4725	0.05	1	0.46
5001-10000	5250	0.06	1	0.46
10001 & above	8554437	99.05	12	8.80
TOTAL		100.00	209	100.00

k) **Dematerialization of Shares and Liquidity:**

The shares of the company fall under the category of compulsory delivery in dematerialized form by all categories of investors. The Company has signed agreements with both the Depositories i.e. National Securities Depository Limited and Central Depositories Services (India) Limited.

Out of 8635990 equity shares of Rs.10/- each 4268997 shares have been dematerialized as on March 31, 2009.

l) **Public issue, right issue, preferential issue, and GDR/ADR etc.:**

There was no public issue, right issue or preferential issue during the year. The Company has not issued any Global Depository Receipt/ American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the company's equity.

m) **Location of Manufacturing Units**

- D, 6-11, Sector -59, Noida, U.P.-201301
- 2D/1, Udyog Kendra, Ecotech-III, Greater Noida, U.P. 201306
- 2D/2, Udyog Kendra, Greater Noida, U.P. 201306
- B-21, MIDC, Chakan, Dist.-Pune, Maharashtra - 410501
- Gut No. 307, Nanekarwadi, Chakan, Tal-Khed, Dist. Pune, Maharashtra - 410501
- Plot No. 9, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263153
- Plot No. 9A, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263153
- E-87, MIDC, Waluj, Aurangabad, Maharashtra – 431136

n) **Address for Investor Correspondence**

- ▶ With the Company: **Mr. Ajay Sancheti,**
Company Secretary
Minda Corporation Ltd.,
D,6-11, Sector-59, Noida, U.P.
Ph. : 0120-2580249
E-Mail : asancheti@minda.co.in
- ▶ With the R & T Agent: **Skyline Financial Services Pvt. Ltd.**
123, Vinoba Puri, Lajpat Nagar- II,
New Delhi-110024

o) **Compliance**

- ▶ The compliance certificate obtained from the Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the stock exchange is annexed with this report. The compliance certificate is also sent annually to all the shareholders of the Company.
- ▶ The non-mandatory requirements, wherever necessary, have been complied with.

IX. NOMINATION FACILITY

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the companies Act,1956, are allowed to submit to the Company's Share Transfer Agents M/s Skyline Financial Services Pvt. Ltd. at their address in the prescribed Form (Form 2B). Nomination facility in respect of shares held in Electronic Form is also available with the Depository Participant (DP) as per the Bye laws and Business rules applicable to NSDL & CDSL.

X. NON-MANDATORY DISCLOSURE

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

- (a) **Audit qualifications:** The statutory financial statements of the Company are unqualified.
- (b) **Training of Board Members / Mechanism for evaluating non-executive directors:** All the non-executive directors are having rich experience and expertise in functional areas and in the opinion of the board, they do not require any further training.
- (c) **Whistle Blower Policy:** The Company has communicated to all its employees the "Whistle Blower Policy" and the Company has not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to "Whistle Blowers" from unfair termination and other unfair or prejudicial employment practices.

DECLARATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS.

The Shareholders of the Company
Minda Corporation Limited
36A, Rajasthan Udyog Nagar,
Delhi - 110 033

Pursuant to clause 49I(D)(ii) of the Listing Agreement, I hereby declare that all Board Members and senior management personnel are aware of the provisions of the code of conduct laid down by the Board. All Board members and senior management personnel have affirmed compliance with code of conduct.

Place : Noida
Date : June 26, 2009

Jeevan Mahaldar
Managing Director

CEO and CFO Certification

We, Jeevan Mahaldar, Managing Director, and R.K. Aggarwal, Chief Financial Officer of Minda Corporation Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and profit and loss account (Standlone and consolidated), and all its schedules and notes to accounts, as well as the cash flow statement and the directors' report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Company's disclosure, controls and procedures;
 - d) disclosed, in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions):
 - a) all deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's auditors, any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies;
 - b) Significant changes in internal controls during the year covered by this report;
 - c) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
 - d) instances of significant fraud of which we are aware, that involve management or other employees who have a significant role in the Company's internal control system.
7. In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive or equity-based compensation, which was inflated on account of such errors, as decided by the audit committee;

8. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices; and
9. We further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place : Noida
Date : June 26, 2009

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
Chief Financial Officer

Auditor's certificate on Corporate Governance

To the members of Minda Corporation Limited,

We have examined the compliance of conditions of Corporate Governance by Minda Corporation Limited for the year ended March 31, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi
Date : June 26, 2009

For R. N. Saraf & Co.
Chartered Accountants

R. N. Saraf, F.C.A.
Membership No. 12439

AUDITORS' REPORT

To the Members of Minda Corporation Limited

We have audited the attached Balance Sheet of **Minda Corporation Limited** as at March 31, 2009 and also the Profit and Loss Account and the Cash flow Statement for the year ended on that date annexed thereto (collectively referred as Financial Statements). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, (as amended) by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Financial Statements dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Financial Statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2009 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanation given to us, the said Financial Statements read together with schedule 'A' to 'T' and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : New Delhi
Date : June 26, 2009

For R. N. Saraf & Co.
Chartered Accountants

R. N. Saraf, F.C.A.
Membership No. 12439

**Annexure referred to the Auditors' Report of even date to the Members
of MINDA CORPORATION LIMITED on the Financial Statements
for the year ended March 31, 2009.**

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets;
- (b) The fixed assets were physically verified during the year by the management in accordance with the programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification were not material and have been properly dealt with in the books of account;
- (c) There was no substantial disposal of fixed assets during the year;
- (ii) (a) The inventory have been physically verified by the management at reasonable intervals;
- (b) In our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;
- (c) The Company has maintained proper records of inventory. The discrepancies between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account;
- (iii) (a) During the year, the Company has taken unsecured loan from a Company covered in the register maintained under Section 301 of the Companies Act, 1956. The amount taken during the year amounting to Rs. 1054.50 lacs and paid during the year amounting to Rs. 222.60 lacs. The balance outstanding at the year end Rs. 831.90 lacs.
- (b) The Company has not granted loans to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (c) In our opinion, the rate of interest and other terms and conditions on which the loans have been taken from a company listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the company.
- (d) The company is regular in repaying the principal amount and interest.
- (iv) In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. We have not observed any continuing failure to correct major weaknesses in internal controls during the course of audit.
- (v) (a) In our opinion, the particulars of the contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, having regard to the fact that certain items purchased/sold and services rendered / received are of a special nature and suitable sources do not exist for obtaining comparative quotations, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time or the prices at which the transactions for similar goods have been made with other parties.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public during the year. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- (vii) An outside agency has carried out internal audit during the year. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
- (viii) The Central Government of India has prescribed the maintenance of cost records by the Company under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of certain manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- (ix) (a) According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable to it and no undisputed amounts payable were outstanding as at March 31, 2009 for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us and the records of the company examined by us as at March 31, 2009, there have no dues in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess that have not been deposited on account of dispute other than certain disputed sales tax, income tax and excise duty dues, the details of which are as follows :

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Interest on Sales Tax	5.95	1998-99, 2001-02 and 2005-06	Trade Tax Tribunal, Ghaziabad
Income Tax Act, 1961	Income Tax	92.01	2002-03, 2004-05 and 2005-06	Commissioner of Income Tax (Appeals), New Delhi
Central Excise	Interest and Penalty	93.28	2005-06 and 2006-07	Customs, Excise & Service Tax Appellate Tribunal, New Delhi & Pune

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- (xiii) The Company is not a chit fund/nidhi/mutual benefit fund/society, therefore, clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.
- (xiv) The Company is not dealing in or trading in shares, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003, (as amended) are not applicable.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions. In our opinion the terms and conditions on which the company has given the guarantees for the loan taken by other from banks are not prejudicial to the interest of the Company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash-flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956;
- (xix) The Company did not have any outstanding debentures during the year, therefore, clause 4(xix) of Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.
- (xx) The Company has not raised any money by public issues during the year, therefore clause 4(xx) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.
- (xxi) Based on the audit procedures performed and information and explanations given to us by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For R. N. Saraf & Co.
Chartered Accountants**

**R. N. Saraf, F.C.A.
Membership No. 12439**

**Place : New Delhi
Date : June 26, 2009**



BALANCE SHEET AS AT MARCH 31, 2009

Rs.

SCHEDULE		AS AT 31.03.2009	AS AT 31.03.2008
I. SOURCES OF FUNDS			
1. Shareholders' Funds			
(a) Share Capital	A	86,359,900	86,359,900
(b) Reserves and Surplus	B	<u>353,796,480</u>	<u>282,084,681</u>
		440,156,380	368,444,581
2. Loan Funds			
(a) Secured Loans	C	511,263,785	501,502,673
(b) Unsecured Loans	D	119,279,029	109,033,301
		35,929,000	33,429,000
3. Deferred Tax Liability		35,929,000	33,429,000
TOTAL		<u>1,106,628,194</u>	<u>1,012,409,555</u>
II. APPLICATION OF FUNDS			
1. Fixed Assets			
(a) Gross Block	F	910,529,620	838,568,020
(b) Less : Depreciation		<u>358,091,854</u>	<u>317,111,182</u>
(c) Net Block		552,437,766	521,456,838
(d) Capital Work in Progress		64,388,660	41,478,748
(e) Capital Advances		<u>33,657,037</u>	<u>37,833,135</u>
		650,483,463	600,768,721
2. Investments			
		421,193,301	361,003,701
3. Current Assets, Loans and Advances			
(a) Inventories	H	85,420,518	77,795,186
(b) Sundry Debtors		239,107,328	228,557,499
(c) Cash and Bank Balances		8,468,035	14,772,612
(d) Other Current Assets		6,843,340	5,697,017
(e) Loans and Advances		<u>92,684,567</u>	<u>74,553,756</u>
		432,523,788	401,376,070
Less : Current Liabilities & Provisions			
(a) Current Liabilities	I	353,841,046	311,543,383
(b) Provisions		<u>43,731,312</u>	<u>39,195,554</u>
		379,572,358	350,738,937
Net Current Assets		34,951,430	50,637,133
4. Miscellaneous Expenditure			
(To the extent not written off or adjusted)	J		
TOTAL		<u>1,106,628,194</u>	<u>1,012,409,555</u>
Notes to the Financial Statements		T	

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida
Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Rs.

	SCHEDULE	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
INCOME			
Sales	K	2,159,827,365	1,987,165,186
Less : Excise Duty		155,533,324	217,979,888
		<u>2,004,294,041</u>	<u>1,769,185,298</u>
Other Income	L	72,832,383	71,718,934
Accretion/(Depletion) in Stocks	M	2,862,804	(16,201,316)
		<u>2,079,989,228</u>	<u>1,824,702,916</u>
EXPENDITURE			
Cost of Materials	N	1,387,416,871	1,307,116,569
Manufacturing Expenses	O	40,499,952	32,539,230
Employees Remuneration and Benefits	P	185,249,729	134,926,969
Administrative and Other Expenses	Q	181,646,631	96,464,788
Selling and Distribution Expenses	R	29,831,201	30,681,416
Interest and Finance Charges	S	69,426,187	58,361,274
Depreciation/Amortisation/Impairment	F	69,199,505	55,837,459
		<u>1,963,270,076</u>	<u>1,715,927,705</u>
		116,719,152	108,775,211
PROFIT BEFORE TAXATION			
Provision for Income Tax		19,500,000	24,550,000
Provision for Fringe Benefit Tax		2,800,000	2,552,000
Deferred Tax Liability	E	2,500,000	2,565,000
		<u>91,919,152</u>	<u>79,108,211</u>
PROFIT AFTER TAXATION			
Proposed Dividend		17,271,980	17,271,980
Tax on Proposed Dividend		2,935,373	2,935,373
Transfer to General Reserve		10,000,000	51,792,146
		<u>61,711,799</u>	<u>7,108,712</u>
Balance Carried to Balance Sheet			
Earnings per share			
Basic (Rupees)	T	10.64	9.16
Diluted (Rupees)		10.64	29.26
Notes to the Financial Statements			
	T		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida
Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary



STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2009

Rs.

S.No.	PARTICULARS	Year Ended 31.03.2009	Year Ended 31.03.2008
A. CASH FLOW FROM OPERATING ACTIVITIES			
	Net profit before tax	116,719,152	108,775,211
	Adjusted for:		
	Depreciation	69,199,505	55,837,459
	(Profit)/Loss on sale of fixed assets	–	(708,668)
	Interest paid	64,784,689	54,575,124
	Fixed Assets Written Off	628,220	–
	Amounts written Off	26,491	10,544
	Interest on Deposits	(139,582)	(186,917)
	Interest- Others	(66,266)	(967,362)
	Provisions Written Back	(479,127)	(1,006,264)
	Technical Know-How Expenses Written Off	–	46,221
	Operating profit before working capital changes	250,673,082	216,375,348
	Adjusted for:		
	Accounts Receivable	(10,549,829)	32,453,500
	Loans & Advances	(17,105,029)	9,319,402
	Other Current Assets	(1,034,099)	11,739,451
	Inventories	(7,625,332)	109,029,551
	Current Liabilities & Provisions	46,849,898	(120,005,017)
	Cash generated from operating activities	261,208,691	258,912,235
	Income Tax Paid (including Taxes Deducted at Source and Wealth Tax)	(20,552,273)	(32,457,550)
	Fringe Benefit Tax paid	(2,337,350)	(2,816,984)
	NET CASH FROM OPERATING ACTIVITIES	238,319,068	223,637,701
B. CASH FLOWS FROM/(USED) IN INVESTING ACTIVITIES			
	Purchase of Fixed Assets	(122,318,577)	(265,495,332)
	Proceeds from sale of Fixed Assets	2,776,111	255,900,704
	Interest Received	93,624	1,254,680
	Investments in Subsidiary	(60,189,601)	(357,017,121)
	NET CASH FROM/(USED) IN INVESTING ACTIVITIES	(179,638,443)	(365,357,070)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2009

Rs.

S.No.	PARTICULARS	Year Ended 31.03.2009	Year Ended 31.03.2008
C. CASH FLOWS FROM/(USED) IN FINANCING ACTIVITIES			
	Dividends Paid (including tax on dividend)	(20,207,353)	(5,773,529)
	Movement in Borrowing	20,006,840	203,576,611
	Interest Paid	(64,784,689)	(54,575,124)
	NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(64,985,202)	143,227,958
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(6,304,577)	1,508,589
	Cash and Cash Equivalents at the beginning of the year	14,772,612	13,264,023
	Cash and Cash Equivalents at the end of the year	8,468,035	14,772,612
	Notes to Financial Statements	T	

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida
Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary

SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009		AS AT 31.03.2008	
Schedule A : SHARE CAPITAL				
Authorised				
10,000,000 Equity shares of Rs. 10 each		<u>100,000,000</u>		<u>100,000,000</u>
		<u>100,000,000</u>		<u>100,000,000</u>
Issued, Subscribed and Paid up				
8,635,990 Equity shares of Rs. 10 each fully paid up*		<u>86,359,900</u>		<u>86,359,900</u>
		<u>86,359,900</u>		<u>86,359,900</u>
* Includes as bonus shares 936,375 Equity shares of Rs.10 each allotted by capitalisation of general reserve on September 29, 1994 and 6,168,565 Equity shares of Rs.10 each allotted by capitalisation of Securities Premium on March 18, 2008.				
Schedule B : RESERVES AND SURPLUS				
Securities Premium Account				
As per last Balance Sheet	65,266,350		126,952,000	
Less : Issue of fully paid Bonus Shares	<u>—</u>	<u>65,266,350</u>	<u>61,685,650</u>	65,266,350
General Reserve				
As per last Balance Sheet	62,000,000		10,207,854	
Add: Transfer from profit and loss account	<u>10,000,000</u>	<u>72,000,000</u>	<u>51,792,146</u>	62,000,000
Profit and Loss Account				
As per last Balance Sheet	154,818,331		147,709,619	
Add: Profit for the year	<u>61,711,799</u>	<u>216,530,130</u>	<u>7,108,712</u>	<u>154,818,331</u>
		<u>353,796,480</u>		<u>282,084,681</u>
Schedule C : SECURED LOANS				
From Banks				
Term Loans	252,892,197		253,068,354	
Vehicle Loan	—		74,781	
Working Capital Loans	<u>197,013,823</u>	<u>449,906,020</u>	<u>174,606,352</u>	427,749,487
Deferred Sales Tax				
As per last Balance Sheet	73,753,186		80,229,802	
Add: Addition during the year	<u>—</u>		<u>3,808,921</u>	
	<u>73,753,186</u>		<u>84,038,723</u>	
Less: Paid during the year	<u>12,395,421</u>	<u>61,357,765</u>	<u>10,285,537</u>	73,753,186
		<u>511,263,785</u>		<u>501,502,673</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET

Notes:

1. Term loans of Rs.Nil (Previous Year Rs. 24,400,000) from State Bank of Patiala and Rs.171,894,345 (Previous year Rs.117,670,502) from State Bank of India are secured by a first pari passu charge on all fixed assets of the Company, both present and future (except land and building under construction situated at Gurgaon, save and except book debts and assets exclusively hypothecated to Banks) and also secured by a second charge on entire current assets of the Company, subject to prior charge created/to be created on the specified movables in favour of bankers for securing working capital borrowings.

Term loan of Rs. 80,997,852 (Previous Year Rs.110,997,852) from ABN Amro Bank N.V. is secured by way of first charge over movable and immovable fixed assets located at Plot No.9A, Sector 10, I.I.E., Pant Nagar (Uttarakhand) both present and future and also secured by a second charge by way of hypothecation over current assets of the Company, both present and future.

Above loans except loan taken from State Bank of India are further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

The loan from ABN Amro Bank N.V. is further secured by Corporate Guarantee provided by M/s Minda Sons and First charge by way of equitable mortgage on lease hold land of M/s Minda Sons located at Plot No.19 & 20, Sector 8A, I.I.E. BHEL, Haridwar, Uttarakhand.

Amount due within one year Rs.88,800,000 (Previous year Rs.91,000,000).

2. Vehicle loan from banks are secured by hypothecation of the assets financed by them. Amount due within one year Rs.Nil (Previous year Rs.74,781).
3. Working capital loans of Rs.119,812,830 (Previous year Rs.99,535,950) from Indian Overseas Bank, Rs.17,091,838 (Previous year Rs.31,799,155) from ABN Amro Bank N.V. and Rs.20,440,296 (Previous year Rs.Nil) from Standard Chartered Bank are secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of the Company, both present and future (except land and building under construction situated at Gurgaon) ranking pari passu with the sales tax deferment loan taken from PICUP.

Working Capital Loan of Rs.39,668,859 (Previous year Rs.43,271,247) from AXIS Bank is secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge over movable and immovable fixed assets situated at Plot No.9A, Sector 10, I.I.E., Pant Nagar (Uttarakhand) and also secured by Corporate Guarantee provided by Minda Sai Ltd.

Above loans Except loan from ABN Amro Bank N.V. are further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

4. Interest free loan in lieu of sales tax deferment from Pradeshya Industrial Investment Corporation of Uttar Pradesh (PICUP) is secured by a second charge ranking pari passu on all fixed assets of the Company (except land and building under construction situated at Gurgaon), both present and future. Amount due within one year Rs. 14,933,686 (Previous year Rs.12,395,421).

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
Schedule D : UNSECURED LOANS		
From		
– Body Corporates	102,521,961	31,264,377
– Customer and Trade Deposit	16,757,068	77,768,924
	<u>119,279,029</u>	<u>109,033,301</u>
	<u>119,279,029</u>	<u>109,033,301</u>
Schedule E : DEFERRED TAX LIABILITY		
As per last Balance Sheet	33,429,000	30,864,000
Add : Adjustments for the year	2,500,000	2,565,000
	<u>35,929,000</u>	<u>33,429,000</u>



SCHEDULES FORMING PART OF THE BALANCE SHEET

Schedule F : FIXED ASSETS

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION/AMORTISATION/ IMPAIRMENT			NET BLOCK			
	As at 31.03.2008 Rs.	Additions during the Year Rs.	Adjustments/ Sold during the Year Rs.	As at 31.03.2009 Rs.	Upto 31.03.2008 Rs.	For the Year Rs.	Adjustments during the Year Rs.	Upto 31.03.2009 Rs.	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
TANGIBLE ASSETS										
Freehold Land	6,374,217	588,400	-	6,962,617	-	-	-	-	6,962,617	6,374,217
Leasehold Land	63,611,601	-	-	63,611,601	4,817,498	722,332	-	5,539,830	58,071,771	58,794,103
Building	267,343,271	1,203,031	-	268,546,302	46,081,867	12,739,474	-	58,821,341	209,724,961	221,261,404
Plant and Machinery	400,024,883	80,697,532	16,962,472	463,759,943	198,100,520	43,800,614	15,367,181	226,533,953	237,225,990	201,924,363
Computers	26,348,142	3,739,410	7,324,370	22,763,182	13,769,611	2,980,714	5,730,614	11,019,711	11,743,471	12,578,531
Office Equipment	22,622,840	9,339,856	5,620,137	26,342,559	16,679,464	2,947,388	5,418,527	14,208,325	12,134,234	5,943,376
Furniture and Fittings	17,456,573	804,679	2,659,443	15,601,809	12,933,277	1,806,231	2,645,769	12,093,739	3,508,070	4,523,296
Vehicles	7,815,100	547,008	-	8,362,108	6,416,313	571,942	-	6,988,255	1,373,853	1,398,787
INTANGIBLE ASSETS										
Computer Software	26,971,394	1,217,286	-	28,188,680	18,312,632	3,341,428	-	21,654,060	6,534,620	8,658,762
Technical Know How	-	6,390,819	-	6,390,819	-	1,232,640	-	1,232,640	5,158,179	-
TOTAL	838,568,020	104,528,021	32,566,422	910,529,620	317,111,182	70,142,763	29,162,091	358,091,854	552,437,766	521,456,838
PREVIOUS YEAR	932,138,999	351,847,868	445,418,847	838,568,020	449,952,197	57,385,796	190,226,812	317,111,182	521,456,838	482,186,802
Capital work in Progress									64,388,660	41,478,748

SCHEDULE F : FIXED ASSETS (CONTD.)

NOTES:

- The Company acquired following leasehold Land from respective authority:

Authority	Date of Acquisition	Area (Sq Meters)	Period of Lease (years)
The New Okhla Industrial Development Authority	July 4, 1979	1,800	90
The New Okhla Industrial Development Authority	December 13, 1994	32,600	90
Pimpri- Chinchwad New Town Development Authority	November 11, 1999	2,708	99
State Industrial Development Corporation of Utrakkhand Limited	June 6, 2006	11,550	90
State Industrial Development Corporation of Utrakkhand Limited	February 1, 2008	18,975	90

- Depreciation for the year includes Rs.943,258 (Previous year Rs.1,548,337) capitalised on in-house development of tools.
- Additions to Plant and Machinery during the year includes net exchange loss of 150,524 (Previous year Rs.Nil) account of foreign exchange fluctuations with respect to liabilities incurred to acquire fixed assets.
- Fixed Assets includes the following assets given on operating lease.

PARTICULARS	GROSS BLOCK		DEPRECIATION FOR THE YEAR		ACCUMULATED DEPRECIATION	
	As at 31.03.2009	As at 31.03.2008	Ended 31.03.2009	Ended 31.03.2008	As at 31.03.2009	As at 31.03.2008
Plant and Machinery	32,426,748	37,526,522	2,365,115	2,553,660	22,551,968	24,801,906
Tools, Moulds & Dies	8,597,528	8,597,528	-	-	8,167,652	8,167,652
Electrical Installation	-	1,524,728	-	-	-	1,448,492
Building	-	5,107,969	-	276,661	-	3,819,092
Furniture and Fixtures	-	8,000	-	-	-	8,000
TOTAL	41,024,276	52,764,747	2,365,115	2,830,321	30,719,620	38,245,142

Rs.



SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
PREOPERATIVE EXPENDITURE (Pending capitalisation/ allocation)		
Employees Remuneration and Benefits		
Salaries, Wages and Bonus	4,250,267	1,158,900
Contribution to Provident Fund and Other funds	231,500	85,008
Shifting Expenses	188,752	–
	<u>4,670,519</u>	<u>1,243,908</u>
Administrative and Other Expenses		
Consultancy charges	281,800	–
Travelling and Conveyance	725,799	812,232
	<u>1,007,599</u>	<u>812,232</u>
Interest and Finance Charges		
Interest on Term Loan	3,769,916	379,703
	<u>9,448,034</u>	<u>2,435,843</u>
Add: Brought forward from previous year	2,056,140	–
	<u>11,504,174</u>	<u>2,435,843</u>
Less: Allocated during the year	3,769,916	379,703
Balance pending capitalisation/allocation	<u>7,734,258</u>	<u>2,056,140</u>

Schedule G : INVESTMENTS

(Non-Trade- Unquoted- at cost)

Long Term Investments

3000 Equity Shares of Minda Europe B.V., Netherlands @ Euro 100 each (wholly owned subsidiary)	16,948,800	16,948,800
Investment in KTSN Kunststofftechnik Sachen GMBH & Co. KG, Germany (Limited Liability Partnership Firm) Euro 7,130,001 (P.Y. Euro 6,200,001)	404,244,501	344,054,901
	<u>421,193,301</u>	<u>361,003,701</u>

Schedule H : CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS

1. Inventories (As taken, valued and certified by the management)

Raw Materials*	55,597,114	53,106,887
Packing Materials	231,159	240,288
Finished Goods**	11,922,533	8,841,634
Stores and Spares	327,186	496,977
Work in Progress	5,975,612	5,808,565
Tools, Moulds, Dies and Fixtures	11,366,914	9,300,835
	<u>85,420,518</u>	<u>77,795,186</u>

2. Sundry Debtors (Unsecured)

Debts outstanding for a period exceeding six months Considered Good	2,379,445	2,173,554
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SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009		AS AT 31.03.2008	
Considered Doubtful	9,985,450		11,202,481	
	<u>12,364,895</u>		<u>13,376,035</u>	
Others				
Considered Good	236,727,883		226,383,945	
Considered Doubtful	969,371		—	
	<u>250,062,149</u>		<u>239,759,980</u>	
Less: Provision for Doubtful Debts	10,954,821	239,107,328	11,202,481	228,557,499
3. Cash and Bank Balances				
Cash on Hand	512,048		864,609	
Silver Coins - 153 in Number (Previous year 142)	26,351		23,161	
Balance with Scheduled Banks				
In Current Accounts	6,440,009		11,701,892	
In Fixed Deposit Accounts***	1,484,356		2,167,970	
In Unpaid Dividend Accounts	5,271	8,468,035	14,980	14,772,612

* Raw Material includes Material in Transit of Rs.13,179,759 (Previous Year Rs. 1,139,390).

** Finished goods include excise duty of Rs.1,498,342 (Previous Year Rs. 1,113,200) on goods manufactured but not sold at the end of the year.

*** - Pledged with banks as Margin Money for issue of letter of credit etc. Rs Nil (Previous Year Rs. 813,064).

- Pledged with banks for issue of guarantees in favour of Sales Tax, Excise and Customs Authorities Rs 1,484,356 (Previous Year Rs. 1,354,906).

Schedule H : CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS

4. Other Current Assets

Interest Accrued	204,118		91,894	
Claims and Other Receivables	6,639,222	6,843,340	5,605,123	5,697,017

B. LOANS AND ADVANCES (Unsecured)

Advances recoverable in cash or in kind or for value to be received or pending adjustments				
Considered Good *	67,807,869		58,696,166	
Considered Doubtful	—		70,317	
	<u>67,807,869</u>		<u>58,766,483</u>	
Balance with Excise and Sales Tax Authorities	6,189,946		5,542,260	
Advance Income Tax (net of provision)	5,433,494		4,381,221	
Earnest Money and Security Deposits **	13,253,258		5,934,109	
	<u>92,684,567</u>		<u>74,624,073</u>	
Less: Provision for Doubtful Advances	—	92,684,567	70,317	74,553,756
		<u>432,523,788</u>		<u>401,376,070</u>

Notes:

* Include

- amount due from Minda Sai Ltd., a Company under the same management Rs. Nil (Previous Year Rs.303,037). Maximum amount due at any time during the year Rs.303,037 (Previous Year Rs. 2,582,861).
- amount due from Minda Management Services Ltd., a Company under the same management Rs. Nil (Previous Year Rs. 2,736,260). Maximum amount due at any time during the year Rs.2,736,260 (Previous Year Rs. 2,736,260).
- amount due from Officer of the Company Rs.140,069 (Previous Year Rs.213,318). Maximum amount due at any time during the year Rs.213,318 (Previous Year Rs.223,465).
- amount due from Minda Furukawa Electric Private Ltd., a Company under the same management Rs. 60,000 (Previous Year Nil). Maximum amount due at any time during the year Rs.60,000 (Previous Year Nil).
- ** Includes amount due from Minda Capital Limited, a Company under the same management Rs.8,400,000 (Previous Year Rs. Nil).

SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
Schedule I : CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Acceptances	-	4,688,047
Sundry Creditors*	332,880,796	277,738,589
Due to Minda Sons- on account of Purchase Consideration	-	12,397,930
Security Deposit	700,000	1,400,000
Investor Education and Protection Fund**	548	6,098
Other Liabilities	20,259,702	15,312,719
	353,841,046	311,543,383
B. PROVISIONS		
Fringe Benefit Tax (Net of Payment)	726,666	264,016
Proposed Dividend	17,271,980	17,271,980
Tax on Proposed Dividend	2,935,373	2,935,373
Warranty	10,771,305	8,941,627
Employee Retirement Benefits	12,025,988	9,782,558
	43,731,312	39,195,554
	397,572,358	350,738,937

* The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/ payable under this Act have not been given.

** Investor Education and Protection Fund includes unclaimed dividends aggregating to Rs.548 (Previous year Rs.6,098) that is not due for transfer as at March 31, 2009.

Schedule J : MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Technical Fees			
As per last Balance Sheet	-	46,221	
Less: Written off during the year	-	46,221	-
	-	-	-

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2009	Year ended at 31.03.2008
Schedule K : SALES		
Manufactured Goods	2,030,093,545	1,871,884,259
Components/Raw Material	113,582,503	97,971,276
Moulds, Tools and Dies	16,151,317	17,309,651
	<u>2,159,827,365</u>	<u>1,987,165,186</u>
Schedule L : OTHER INCOME		
Interest		
- from banks	139,582	186,917
- from others	66,266	967,362
Rent	4,229,000	11,786,056
Royalty	30,757,296	17,652,321
Scrap Sales*	877,495	519,657
Export Benefits	9,704,200	8,801,244
Liabilities/Provisions Written Back	479,127	1,006,264
Profit on sale of Fixed Assets (Net)	-	708,668
Technical Know How / Service Income	24,357,338	29,662,648
Miscellaneous Income	2,222,079	427,797
	<u>72,832,383</u>	<u>71,718,934</u>
TAX DEDUCTED AT SOURCE		
Interest - Bank	25,953	36,169
Interest- Others	487	212,055
Rent	733,098	2,258,123
Royalty	4,764,364	2,773,162
Technical Know How/Service Income	4,800,586	5,278,191
Miscellaneous Income	200,735	23,703
* Scrap sales is net of excise duty paid aggregating Rs. 13,168/- (Previous year Rs. 29,585).		
Schedule M : ACCRETION/(DEPLETION) IN STOCKS		
<i>Closing Stock</i>		
Finished Goods	11,922,533	8,841,634
Work in Progress	5,975,612	5,808,565
	<u>17,898,145</u>	<u>14,650,199</u>
<i>Opening Stock</i>		
Finished Goods	8,841,634	20,644,598
Work in Progress	5,808,565	12,051,725
	<u>14,650,199</u>	<u>32,696,323</u>
Impact of excise duty on increase/(decrease) in finished goods	(385,142)	1,844,808
	<u>2,862,804</u>	<u>(16,201,316)</u>



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2009	Year ended at 31.03.2008
Schedule N : COST OF MATERIALS		
Raw Materials Consumed		
Opening Stock	51,967,497	110,622,066
Add: Purchase/Expenses during the year	1,366,896,648	1,236,881,221
	1,418,864,145	1,347,503,287
Less: Closing Stock	42,417,355	51,967,497
	1,376,446,790	1,295,535,790
Tools, Moulds, Dies and Fixtures		
Opening Stock	9,300,835	18,136,591
Add: Purchase/Expenses during the year	13,036,160	2,745,023
	22,336,995	20,881,614
Less: Closing Stock	11,366,914	9,300,835
	10,970,081	11,580,779
	1,387,416,871	1,307,116,569
Note:		
Purchases of raw materials includes job work charges of Rs. 82,302,002 (Previous year Rs.90,022,417)		
Schedule O : MANUFACTURING EXPENSES		
Packing Materials		
Opening Stock	240,288	316,295
Add: Purchase during the year	14,968,793	11,745,830
	15,209,081	12,062,125
Less: Closing Stock	231,159	240,288
	14,977,922	11,821,837
Power and Fuel	15,968,708	11,980,245
Stores and Spares Consumed	8,364,293	7,576,208
Design and Development Charges	122,084	165,810
Testing Charges	1,066,945	995,130
	40,499,952	32,539,230
Schedule P : EMPLOYEES REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	157,297,224	115,055,917
Contribution to Provident Fund and Other funds	12,363,673	8,292,416
Staff Welfare Expenses	15,588,832	11,578,636
	185,249,729	134,926,969

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2009	Year ended at 31.03.2008
Schedule Q : ADMINISTRATIVE AND OTHER EXPENSES		
Rent	20,462,768	3,241,277
Hire Charges	5,702,149	4,439,918
Lease Rent	5,593,428	5,156,484
Rates and Taxes	879,416	879,913
Insurance	3,235,573	3,108,975
Travelling and Conveyance	14,895,466	12,531,610
Printing and Stationery	2,444,030	2,156,539
Legal and Professional Charges	7,312,607	5,663,944
Communication Expenses	4,678,274	3,890,807
Repairs and Maintenance		
Building	3,534,675	2,612,826
Plant and Machinery	4,846,595	1,474,003
Others	5,119,627	4,816,461
Auditors' Remuneration :		
Statutory Audit	650,000	520,000
Reimbursement of Expenses	43,813	43,032
Royalty	32,041,686	-
Cash Discount	448,983	99,681
Charity and Donations	507,100	505,000
Bad Debts/Amounts written off	26,491	10,544
Management Fees	52,467,327	34,803,020
Fixed Assets Written Off	628,220	-
Sales Tax Expenses	389,985	115,741
Warranty Expenses	9,965,452	5,078,303
Technical Fee Written Off	-	46,221
Security Charges	2,668,837	1,705,389
Miscellaneous Expenses	3,104,129	3,565,100
	181,646,631	96,464,788
Schedule R : SELLING AND DISTRIBUTION EXPENSES		
Advertisement and Business Promotion	11,874,772	4,925,294
Sales Commission	3,942,659	15,275,006
Freight and Forwarding	14,013,770	10,481,116
	29,831,201	30,681,416
Schedule S : INTEREST AND FINANCE CHARGES		
Interest		
On Term Loan	28,192,238	17,044,204
On Working Capital Loan	30,777,132	35,323,030
Others	5,815,319	2,207,890
Bank Charges	4,641,498	3,786,150
	69,426,187	58,361,274

Schedule 'T'

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company.

The Company follows the mercantile system of accounting and recognises items of income and expenditure on accrual basis.

ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

iii) Revenue Recognition

Revenue from sale of good are recognised as goods are dispatched to the customers from the factory. Revenue from sale of goods to overseas customers is recognized on goods being shipped on board. However in case of DDP (Delivery Duty Paid) shipments, sales are recognized on the basis of delivery at destination. Sales are recorded at invoice value, net of sales tax/Vat, trade discount and sales returns, but including excise duty.

iv) Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of duties, taxes, incidental expenses, erection/commissioning expenses, preoperative expenses etc (net of Cenvat benefit availed of excise duty, cess, countervailing duty on imported capital goods and vat set off availed, wherever applicable) up to the date, the assets are put to use.

Moulds, Dies and Tools represent Company owned tools, dies and other items used in the manufacture of components specific to a customer. Cost includes engineering, testing and other direct expenses related to the design and development of such tools.

v) Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets or at rates specified in Schedule XIV to the Companies Act, 1956 which ever is higher. The depreciation rates used by the Company are as follows:

Category of Fixed Assets	Rates of Depreciation (In percentage)
Building	4.75
Plant and Machinery	
Tools, Moulds and Dies	19.00
Electrical Installation	9.50
Others	9.50
Computer Hardware	16.95
Office Equipment	19.00
Furniture and Fittings	19.00
Vehicles	19.00
Computer Software	20.00
Technical Know How	20.00

Premium paid on leasehold land and site development is amortised over the period of the lease.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale/ deduction from fixed assets is provided for upto the date of sale, deduction and discardment as the case may be.

All assets costing Rs.5,000 or below are depreciated in full by way of a one-time depreciation charge.

vi) Excise Duty

Excise duty payable on finished goods is accounted for upon manufacture and transfer of finished goods to the stores. Payment of excise duty is deferred till clearance of goods from the factory premises.

vii) **Inventories**

Inventories are valued at lower of cost and net realisable value. The basis for determination of cost of various categories of inventory is as follows:

Raw Materials, Components and Stores and Spares	:	FIFO Basis
Finished Goods		
Bought out	:	FIFO Basis
Manufactured	:	Material cost on FIFO basis plus an appropriate share of production overheads wherever applicable. Cost includes excise duty.
Work in Progress	:	Material cost on FIFO basis plus an appropriate share of production overheads wherever applicable.
Tools, Moulds and Dies	:	Material cost on FIFO basis plus an appropriate share of production overheads wherever applicable.

viii) **Impairment of Assets**

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognised where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

ix) **Foreign Currency Transactions**

Investment in foreign entities is recorded at the exchange rate prevailing on the date of making the investment.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Foreign currency loans covered by forward exchange contracts that are translated at the rate prevailing on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract.

In the case of liabilities incurred for the acquisition of fixed assets, the loss or gain on conversion (at the rate prevailing at the year end or at the forward rate where forward cover has been taken) is included in the carrying amount of the related fixed assets.

Current Assets and liabilities (other than those relating to fixed assets and investments) are reinstated at the rates prevailing at the year end or at the forward rate where forward cover has been taken. The difference between exchange rate at the year end and at the date of the transaction is recognized as income or expense under the respective heads of account in Profit and Loss Account.

x) **Customs Duty**

Customs duty on imported materials and machinery lying in bonded warehouses and in transit is accounted for on clearance of the goods.

xi) **Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

xii) **Research and Development**

Revenue expenses incurred on research and development is charged off to the Profit and Loss Account in the year in which these expenses are incurred. Capital expenditure incurred on research and development is included in fixed assets and depreciated at applicable rates.

xiii) **Retirement Benefits**

Company's contribution to Provident Fund is charged to the Profit and Loss Account.

Leave encashment benefits payable to employees are accounted for on the basis of an actuarial valuation at the end of each financial year. Leaves are permitted to be encashed during the tenure of employment.

The company has created an Employee Group Gratuity Fund. The fund has taken Gratuity-cum-Life insurance policy from the Life Insurance Corporation of India (LIC). The premium paid/payable to LIC determined on the basis of an actuarial valuation made at the end of each financial year is charged to Profit and Loss Account.

xiv) **Warranty Claims**

A provision is made for future warranty costs based on management's estimates of such future costs.

xv) **Leases**

Lease rentals are expensed with reference to lease terms.

xvi) **Investments**

Long term investments are stated at cost, less provision for diminution in value of investments, which is considered to be permanent based on perception of the management of the Company. Current investments are stated at lower of cost or fair market value. Cost includes original cost of acquisition, including brokerage and stamp duty.

xvii) **Income Taxes**

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Timing differences between the taxable income and the accounting income as at March 31, 2009 that reverse in one or more subsequent years are recognised if they result in taxable amounts. Deferred tax assets or liabilities are established at the enacted tax rates. Changes in the enacted rates are recognised in the period of enactment.

Deferred tax assets are recognised only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

xviii) **Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of options outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xix) **Export Benefits**

Export benefits under the duty exemption pass book scheme are recognised in the year the goods are exported.

2. COMMITMENTS AND CONTINGENCIES

a) Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid Rs. 342.96 Lacs (Previous year Rs. 233.80 Lacs).

b) (i) Outstanding forward contracts in respect of foreign currency as at March 31, 2009 amount to US \$ 10,27,000 equivalent to Rs.51,709,450 (Previous year Nil) to hedge the foreign currency exposure for payments to be made against working capital loans.

(ii) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise is as follows:

	Year ended 31.03.2009		Year ended 31.03.2008	
	Rs.	FC	Rs.	FC
i) Receivables in foreign currency				
- Export of Goods	44,129,805	€ 661,758	64,208,374	€2,649,373
	35,204,410	US \$694,878	24,542,612	US \$641,545
	Nil	Nil	882,575	GBP 11,117
- Royalty	6,316,003	US \$124,576	6,538,154	US \$163,413
ii) Payables in foreign currency				
- Loans	102,429,450	US \$ 2,027,000	81,100,270	US \$ 2,027,000
- Commission	308,595	US \$6084	304,902	US \$7621
	2,745,376	€40,988	1,829,699	€30,114

c) Export obligations to be undertaken by the Company under EPCG scheme in the subsequent years to the extent unexecuted is Rs. 47.48 Lacs (Previous year Rs.322.77 Lacs).

d) Guarantees provided by the company aggregate to Rs.585.38 Lacs (Previous year Rs.505.88 Lacs).

e) Bills of exchange discounted under irrevocable letters of credit aggregate to Rs.809.73 Lacs (Previous year Rs.1,628.80 Lacs)

f) Letters of credit outstanding aggregate to Nil (Previous year Rs.16.40 Lacs).

g) Demand for income tax aggregating to Rs. 121.70 Lacs for the assessment year 2003-04, 2005-06 and 2006-07 (Previous year Rs. 100.14 Lacs for the assessment years 2003-04) is disputed by the company against which the company has preferred an appeal. Out of the above, the company has deposited Rs. 29.69 Lacs (Previous Year Rs. 17.00 Lacs)

h) Demand for sales tax aggregating to Rs.15.41 Lacs (Previous year Rs. 12.99 Lacs) for the financial year 1998-99, 2001-02, 2005-06 is disputed by the company against which the company has preferred an appeal. Out of the above, the Company has deposited Rs.9.46 Lacs (Previous Year Rs. 8.42 Lacs)

i) Penalty and Interest demand for excise duty aggregating to Rs.93.28 Lacs (Previous year Rs. 87.93 Lacs) for the financial years 2005-06 and 2006-07 is disputed by the Company against which the Company has preferred an appeal. Out of the above, the Company has deposited Rs. Nil (Previous Year Nil).

j) **Warranties**

The company warrants that its products will perform in all material respects in accordance with the Company's standard specifications for the warranty period. Accordingly based on specific warranties, claims and claim history the Company provides for warranty claims.

The activity in the provision for warranty costs is as follows:

	31.03.2009 Rs.	31.03.2008 Rs.
Opening Balance	8,941,627	9,428,466
Provided during the year	10,771,305	8,941,627
Utilized during the year	(8,941,627)	9,428,466
Closing Balance	<u>10,771,305</u>	<u>8,941,627</u>

3. Leases

The Company has not executed any non-cancelable operating leases.

The Company is a lessee under various operating leases. Rental expense for operating leases for the years ended March 31, 2009 and 2008 was Rs. 26,056,196/- and Rs. 7,610,490/- respectively.

The Company has leased some of its premises and some of its fixed assets to a third party under a fixed lease agreement that qualifies as an operating lease. Rental income for operating leases for the years ended March 31, 2009 and March 31, 2008 aggregate to Rs. 4,229,000/- and Rs. 11,786,056/- respectively.

4. Managerial Remuneration

Managerial remuneration under section 198 of the Companies Act, 1956 paid to the managing director of the Company is as follows:

	31.03.2009 Rs.	31.03.2008 Rs.
Salary	6,787,872	4,166,400
Contribution to Provident Fund	509,091	312,480
Monetary value of Perquisites	111,000	111,000
	<u>7,407,963</u>	<u>4,589,880</u>

The above remuneration does not include the accrued amount of leave encashment and gratuity as at year end as the company determines this amount through actuarial valuation and separate amount to directors is not ascertainable.

As no commission is payable to the directors, the computation of net profits in accordance with section 309 (5) read with section 349 of the Companies Act, 1956 has not been given.

5. Provision for Gratuity

S.No.	Particulars	Master Policy CG 312689	
		As on March 31, 2009	As on March 31, 2008
1. Assumptions			
i)	Discounting Rate	8.00%	8.00%
ii)	Future salary Increase	5.5%	5.5%
2. Table Showing changes in present value of obligation			
	Present value of obligation as at the beginning of the period	1,06,25,367	10,889,258
	Interest cost	850,029	871,141
	Current service cost	2,439,788	2,662,366
	Benefits paid	(945,291)	5,718,125
	Actuarial (gain)/loss on obligation	(95,595)	1,920,727
	Present value of obligation as at the end of period	1,28,74,298	10,625,367
3. Table Showing changes in the fair value of plan assets			
	Fair value of plan assets at the beginning of the period	5,906,376	5,706,376
	Expected return on plan assets	-	-
	Contributions	3,979,660	200,000
	Actuarial gain/(loss) on plan assets	30,340	-
	Fair value of plan assets at the end of the period	9,916,376	5,906,376

Master Policy CG 312689

S.No.	Particulars	As on March 31, 2009	As on March 31, 2008
4.	Table showing fair value of planned assets		
	Fair value of plan assets at the beginning of the period	5,906,376	5,706,376
	Actual return on plan assets	—	—
	Contributions	3,979,660	200,000
	Fair value of plan assets at the end of the period	9,916,376	5,906,376
	Funded status	(2,957,922)	(4,718,991)
	Excess of actual over estimated return on plan assets	30,340	—
5.	Actuarial Gain / (loss) recognized		
	Actuarial gain/(loss) for the period- obligation	95,595	(1,920,727)
	Actuarial (gain)/loss for the period - plan assets	(30,340)	—
	Total (gain)/loss for the period	(125,935)	1,920,727
	Actuarial (gain) / loss recognized in the period	(125,935)	1,920,727
6.	The amounts to be recognized in Balance Sheet and related analysis		
	Present value of obligation as at the end of the period	12,874,298	10,625,367
	Fair value of plan assets as at the end of the period	9,916,376	5,906,376
	Funded status / Difference	(2,957,922)	(4,718,991)
	Excess of actual over estimated	30,340	—
	Unrecognized actuarial (gains)/losses	—	—
	Net asset/(liability) recognized in balance sheet	(2,957,922)	(4,718,991)
7.	Expenses recognized in statement of Profit & Loss		
	Current service cost	2,439,788	2,662,366
	Interest cost	850,029	871,141
	Expected return on plan assets	—	—
	Net actuarial (gain)/ loss recognized in the period	(125,935)	1,920,727
	Expenses recognized in the statement of profit & losses	3,163,882	5,454,234

6. Related Party Transactions

In the normal course of business, the Company enters into transactions with affiliated companies and its parent and key management personnel. The names of related parties of the Company as required to be disclosed under Accounting Standard 18 is as follows :

- a) Subsidiaries : Minda Europe B.V., Netherland
- b) Key Management Personnel : Mr. Ashok Minda - Chairman
Mr. Jeevan Mahaldar - Managing Director
- c) Enterprise in which directors of the company and their relatives exercises significant influence : KTSN Kunststofftechnik Sachsen GmbH & Co, Germany
Minda Valeo Security Systems Pvt. Ltd
Minda Stoneridge Instruments Ltd
Mindarika Pvt Ltd
Minda Finance Ltd
Minda SAI Ltd
Minda S.M.Technocast Ltd.
Minda Silca Engineering Ltd
Minda Industries Ltd
Minda Furukawa Electric Pvt Ltd
Minda International Ltd
Minda Capital Ltd
Minda Management Services Ltd
Minda Sons

Included in the financial statements are the following amounts relating to transactions with r

Particulars	Rs. in Lacs					
	Subsidiary Company		Directors of the Company		Enterprise in which Directors of the Company and their relatives exercises significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
a) Sale of Goods	16	596	–	–	2,023	4,203
b) Hiving off Business	–	–	–	–	–	3,540
c) Sale of Fixed Assets	–	–	–	–	2	39
d) Payment of technical know how fees	–	–	–	–	109	–
e) Rent Received	–	–	–	–	42	117
f) Miscellaneous Income	–	–	–	–	–	11
g) Purchase of Goods/Job Work	–	–	–	–	3,890	2,328
h) Purchase of Business Undertaking	–	–	–	–	–	413
i) Purchase of Fixed Assets	–	–	–	–	9	20
j) Testing Charges	–	–	–	–	1	4
k) Payment of Commission	39	36	–	–	–	117
l) Miscellaneous Expenses	–	–	–	–	–	16
m) Managerial Remuneration	–	–	74	46	–	–
n) Rent Paid	–	–	–	–	195	36
o) Royalty Paid	–	–	–	–	320	–
p) Interest Paid	–	–	–	–	34	–
q) Payment of Management Fees	–	–	–	–	525	348
r) Loan Received (net of Payment)	–	–	–	–	832	–
s) Security Deposit Received	–	–	–	–	7	14
t) Security Deposit Paid	–	–	–	–	84	–
u) Investment	–	130	–	–	602	3,441
v) Guarantee given for loans taken by the Company	–	–	2,609	4,030	1,207	1,543
w) Guarantee given by the Company	–	–	–	–	556	464
x) Receivables	–	249	–	–	368	337
y) Payables	31	–	–	–	1,931	581

7. Earnings per Share

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

	<u>31.03.2009</u>	<u>31.03.2008</u>
a) Net Profit/(Loss) (Rs.)	91,919,152	79,108,211
b) Basic earnings per equity share - weighted average number of equity shares outstanding	8,635,990	8,635,990
c) Effect of dilutive potential equity share equivalents	-	-
d) Dilutive earnings per equity share - weighted average number of equity shares and potential equity share equivalents outstanding	8,635,990	2,703,181
e) Nominal Value of Equity Shares (Rs.)	10	10
f) Basic Earnings per Share (Rs.)	10.64	9.16
g) Diluted Earnings per Share (Rs.)	10.64	29.26

8. Investment in KTSN Kunststofftechnik Sachen GmbH & Co. KG, Germany (A Limited Liability Partnership) is the purchase consideration and contribution towards Capital Reserves. It does not include the amount contributed by Minda Europe B.V., Netherlands on behalf during the financial year 2008-2009.

9. Segment Reporting

The company's operations predominantly are manufacture of automotive parts and accessories. The company is managed organizationally as a unified entity and all its assets other than export debtors are located in India.

Sales (net) for the year ended 31st March, 2009 Rs.20,042.94 Lacs. Details of sales and year end debtors are as follows:

Locations	<u>Revenue Rs. in Lacs</u>	
	<u>31.03.2009</u>	<u>31.03.2008</u>
Domestic	16,063.00	14,382.85
Asia	2,280.24	1,344.68
Americas	92.87	52.02
Europe	1,606.83	1,912.30
Total	20,042.94	17,691.85
	<u>Carrying amount of segment Assets Rs in Lacs</u>	
Locations	<u>31.03.2009</u>	<u>31.03.2008</u>
Domestic	1,597.72	1,389.25
Asia	324.75	413.20
Americas	24.17	21.34
Europe	444.43	461.79
Total	2,391.07	2,285.58

10. Income Taxes

In accordance with Accounting Standard 22 on accounting for taxes on income the deferred tax liability of Rs. 25.00 Lacs for the current year has been recognised in the profit and loss account. The tax effect of significant timing differences as of March 31, 2009 that reverses in one or more subsequent years gave rise to the following net deferred tax liabilities as at March 31, 2009.

	<u>31.03.2009</u>	<u>31.03.2008</u>
	<u>(Rs. in lacs)</u>	<u>(Rs. in lacs)</u>
Deferred Tax Assets/(Liabilities)		
Provision for Employee Retirement Benefits	40.88	33.25
Provision for Doubtful Debts	42.00	38.31
Depreciation	(445.10)	(405.85)
Others	2.93	-
Net Deferred Tax Liabilities	(359.29)	(334.29)

11. Moulds, Tools and Dies

Details of expenses incurred on development of moulds, tools and dies and included are as follows:

Particulars	31.03.2009	31.03.2008
	Rs.	Rs.
Salaries and Wages	2,889,368	3,753,683
Contribution to Provident and other Funds	316,475	400,701
Repairs and Maintenance		
Plant and Machinery	78,942	729,493
Others	42,168	52,751
Power and Fuel	2,038,097	899,708
Depreciation	943,258	1,548,337
Job work charges	442,878	1,647,015
Stores, Spares and Components Consumed	5,251,006	3,659,522
Total	12,002,192	12,691,210

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART-II OF SCHEDULE-VI TO THE COMPANIES ACT, 1956.

12. Licensed and Installed Capacity on single shift basis

(Installed capacity as certified by the management and relied on by the Auditors being a technical matter) :

Class of goods	Licensed Capacity (p.a.)	Installed Capacity (p.a.) (Unit in `000 Nos)	
		Current Year	Previous year
Lock Kits for automobiles	N.A.	16,500	16,500
Switches and other components for automobiles	N.A.	15,400	15,400
Wiring Harness for Automobiles	N.A.	2,300	2,300

13. Production

Products	Unit in `000 Nos	Current Year	Previous year
Lock Kits		4,026	3,722
Locks, Switches and other products		4,884	2,646
Spares		2,088	1,585
Wiring Harness		866	194

14. Details of Sales (net of excise duty).

Products	Unit In `000 Nos	Current Year		Previous year	
		Qty.	Value Rs.	Qty.	Value Rs.
Lock Kits		4,029	1,123,212,058	3,743	1,106,103,306
Locks, Switches and other products		4,701	458,079,382	2,689	202,114,398
Spares		2,034	138,451,383	1,646	338,158,525
Wiring Harness		863	165,401,576	190	21,753,865
Others *		–	119,149,642	*	101,055,204

* The total value of each item is below ten percent of total value of Sales; hence no separate quantitative detail is being given.

15. Opening and Closing Stock of finished goods (as certified by the management)

Products	Unit In `000 Nos	Current Year		Previous year	
		Qty.	Value Rs.	Qty.	Value Rs.
Opening Stock					
Lock Kits		33	5,615,536	55	12,417,440
Locks, Switches and other products		32	1,403,626	75	4,623,241
Spares		58	1,236,988	119	3,603,917
Wiring Harness		3	585,484	–	–
Closing Stock					
Lock Kits		30	4,258,243	33	5,615,536
Locks, Switches and other products		215	4,293,918	32	1,403,626
Spares		111	1,036,021	58	1,236,988
Wiring Harness		6	2,334,351	3	585,484

16. Raw materials and components consumed :

Products	Unit	Current Year		Previous year	
		Qty.	Value Rs.	Qty.	Value Rs.
Zinc	In `000 Kgs	1,571	145,788,319	1,792	285,832,878
Components *	–		1,075,986,298		970,530,939
Others **	–		154,672,173		39,171,973

* In view of various types of components as per specification of customers and being below ten percent of total value of consumption, it is not possible to provide quantitative details of each type of component.

** The total value of each item is below ten percent of total value of consumption; hence no separate quantitative detail is being given.

17. Value of Imported/Indigenous Raw Materials and components consumed during the year.

Raw Materials/Components	Current Year		Previous year	
	Value	%	Value	%
	Rs.		Rs.	
Imported	44,859,689	3.26	239,347,993	18.53
Indigenous	1,331,587,101	96.74	1,056,187,797	81.47
	1,376,446,790	100.00	1,295,535,790	100.00

18. Value of Imported/Indigenous Stores and Spares consumed during the year.

	Current Year		Previous year	
	Value	%	Value	%
	Rs.		Rs.	
Imported	–	–	–	–
Indigenous	8,364,293	100.00	7,576,208	100.00
	8,364,293	100.00	7,576,208	100.00

19. Value of Imports on C.I.F.Basis

	Current Year		Previous year	
	Rs.		Rs.	
Raw Materials, Components and Other Materials	39,117,568		101,996,274	
Capital Goods	3,640,125		15,894,033	



20. **Expenditure in Foreign Currency**

	<u>Current Year</u>	<u>Previous year</u>
	Rs.	Rs.
Traveling	1,391,849	1,311,476
Commission on sales	3,942,659	3,604,730
Legal and Professional	1,205,392	180,339
Repair and Maintenance (P & M)	381,516	-

21. **Earnings in Foreign Exchange**

	<u>Current Year</u>	<u>Previous year</u>
	Rs.	Rs.
FOB Value of Exports	392,518,094	328,454,661
Royalty	30,757,296	18,511,945
Technical Know How	24,357,338	21,851,648

22. **Reclassification**

Previous year's figures have been regrouped and/or re-arranged wherever necessary to conform to the current year's groupings and classifications and the figures in brackets are those in respect of previous year.

Signatures to Schedule A to T

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida

Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (As per Schedule VI, Part IV of the Companies Act, 1956)

I. Registration Details

Registration No. State Code
 Balance Sheet Date

II. Capital raised during the Year Amount in Rs. Thousands)

Public Issue Rights Issue
 Bonus Issue Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	<input type="text" value="1 1 0 6 6 2 8"/>	Total Assets	<input type="text" value="1 1 0 6 6 2 8"/>
Sources of Funds			
Paid-up Capital	<input type="text" value="8 6 3 6 0"/>	Reserve & Surplus	<input type="text" value="3 5 3 7 9 6"/>
Secured Loans	<input type="text" value="5 1 1 2 6 4"/>	Unsecured Loans	<input type="text" value="1 1 9 2 7 9"/>
Application of Funds			
Net Fixed Assets	<input type="text" value="6 5 0 4 8 3"/>	Investments	<input type="text" value="4 2 1 1 9 3"/>
Net Current Assets	<input type="text" value="3 4 9 5 1"/>	Misc. Expenditure	<input type="text" value="N I L"/>
Accumulated Losses	<input type="text" value="N I L"/>		

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover/Other Income	<input type="text" value="2 0 7 9 9 8 9"/>	Total Expenditure	<input type="text" value="1 9 6 3 2 7 0"/>
Profit Before Tax	<input type="text" value="+ 1 1 6 7 1 9"/>	Profit After Tax	<input type="text" value="+ 9 1 9 1 9"/>
Earning Per Share in Rs.	<input type="text" value="1 0 . 6 4"/>	Dividend Rate	<input type="text" value="2 0 %"/>

V. Generic Name of Three Principal Products/Services of the Company (As per monetary terms)

Item Code No. (ITC Code)	<input type="text" value="8 3 0 1 2 0"/>
Product Description	<input type="text" value="LOCKS FOR MOTOR - VEHICLES"/>
Item Code No. (ITC Code)	<input type="text" value="8 7 0 8 9 9"/>
Product Description	<input type="text" value="PARTS AND ACCESSORIES FOR FOUR WHEELERS"/>
Item Code No. (ITC Code)	<input type="text" value="8 7 1 4 0 0"/>
Product Description	<input type="text" value="PARTS AND ACCESSORIES FOR TWO WHEELERS"/>



AUDITORS' REPORT

To the members of Minda Corporation Limited

We have audited the attached Consolidated Balance Sheet of Minda Corporation Limited and its subsidiary Minda Europe B.V., Netherlands as at March 31, 2009 and the annexed Consolidated Profit and Loss Account and consolidated cash flow statement (**collectively referred as Consolidated Financial Statements**) for the year then ended. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Consolidated Financial Statements presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21 on consolidated financial statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the company and its subsidiary included in the Consolidated Financial Statements.

The Financial Statements of Minda Europe B.V., Netherlands as on March 31, 2009 have been audited by other auditors whose report has been furnished to us. We have relied on the said report for the purpose of our opinion on the consolidated financial statements.

On the basis of the information and explanations given to us, and on consideration of the separate audit reports on individual financial statements of the company and its subsidiary, we are of the opinion that:

- (i) the consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the company and its subsidiary as at March 31, 2009;
- (ii) the consolidated Profit & Loss Account gives a true and fair view of the consolidated results of operations of the Company and its subsidiary as at March 31, 2009;
- (iii) the consolidated cash flow statement gives a true and fair view of the consolidated cash flows for the year then ended.

**For R. N. Saraf & Co.
Chartered Accountants**

**Place : New Delhi
Date : June 26, 2009**

**R. N. Saraf, F.C.A.
Membership No. 12439**



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2009

Rs.

S.NO.	PARTICULARS	SCHEDULE	AS AT 31.03.2009	AS AT 31.03.2008
I. SOURCES OF FUNDS				
1.	Shareholders' Funds			
	(a) Share Capital	A	86,359,900	86,359,900
	(b) Reserves and Surplus	B	<u>358,277,630</u>	<u>260,256,772</u>
			444,637,530	346,616,672
2.	Loan Funds			
	(a) Secured Loans	C	511,263,785	501,502,673
	(b) Unsecured Loans	D	<u>142,470,029</u>	<u>109,033,301</u>
3.	Deferred Tax Liability	E	<u>35,929,000</u>	<u>33,429,000</u>
	TOTAL		<u>1,134,300,344</u>	<u>990,581,646</u>
II. APPLICATION OF FUNDS				
1.	Fixed Assets	F		
	(a) Gross Block		910,756,640	838,778,305
	(b) Less : Depreciation		<u>358,217,954</u>	<u>317,195,739</u>
	(c) Net Block		552,538,686	521,582,566
	(d) Capital Work in Progress		64,388,660	41,478,748
	(e) Capital Advances		<u>33,657,037</u>	<u>37,833,135</u>
			650,584,383	600,894,449
2.	Investments	G	<u>441,813,921</u>	<u>344,054,901</u>
3.	Current Assets, Loans and Advances	H		
	(a) Inventories		85,420,518	80,492,036
	(b) Sundry Debtors		239,132,244	219,617,705
	(c) Cash and Bank Balances		14,614,585	15,364,494
	(d) Other Current Assets		6,843,340	5,697,017
	(e) Loans and Advances		<u>92,774,051</u>	<u>75,199,981</u>
			<u>438,784,738</u>	<u>396,371,233</u>
	Less : Current Liabilities and Provisions	I		
	(a) Current Liabilities		353,151,386	311,543,383
	(b) Provisions		<u>43,731,312</u>	<u>39,195,554</u>
			<u>396,882,698</u>	<u>350,738,937</u>
	Net Current Assets		<u>41,902,040</u>	<u>45,632,296</u>
4.	Miscellaneous Expenditure	J		
	(To the extent not written off or adjusted)		—	—
	TOTAL		<u>1,134,300,344</u>	<u>990,581,646</u>
	Notes to Financial Statements	T		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida
Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Rs.

	SCHEDULE	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
INCOME			
Sales	K	2,165,183,131	2,001,472,285
Less : Excise Duty		155,533,324	217,979,888
		2,009,649,807	1,783,492,397
Other Income	L	102,350,358	71,746,592
Accretion/(Depletion) in Stocks	M	165,954	(22,591,571)
		2,112,166,119	1,832,647,418
EXPENDITURE			
Cost of Materials	N	1,387,350,238	1,312,359,776
Manufacturing Expenses	O	40,499,952	32,539,230
Employees Remuneration and Benefits	P	190,916,322	140,672,484
Administrative and Other Expenses	Q	184,660,239	99,813,894
Selling and Distribution Expenses	R	25,910,457	27,176,796
Interest and Finance Charges	S	69,589,965	58,361,274
Depreciation/Amortisation/Impairment	F	69,241,048	55,872,838
		1,968,168,221	1,726,796,292
		143,997,898	105,851,126
PROFIT BEFORE TAXATION			
Provision for Income Tax		20,469,687	24,550,000
Provision for Fringe Benefit Tax		2,800,000	2,552,000
Deferred Tax Liability	E	2,500,000	2,565,000
		118,228,211	76,184,126
PROFIT AFTER TAXATION			
Proposed Dividend		17,271,980	17,271,980
Tax on Proposed Dividend		2,935,373	2,935,373
Transfer to General Reserve		10,000,000	51,792,146
Balance Carried to Balance Sheet		88,020,858	4,184,627
Earnings per share			
Basic (Rupees)	T	13.69	8.82
Diluted (Rupees)		13.69	28.18
Notes to Financial Statements	T		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida
Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2009

Rs.

S.NO.	PARTICULARS	Year Ended 31.03.2009	Year Ended 31.03.2008
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	143,997,898	105,851,126
	Adjusted for:		
	Depreciation	69,241,048	55,872,838
	(Profit)/Loss on sale of fixed assets	-	(708,668)
	Interest paid	64,784,689	54,575,124
	Fixed Assets Written Off	628,220	-
	Amounts written off	26,491	10,544
	Interest on Deposits	(139,731)	(186,917)
	Interest- Others	(66,266)	(967,362)
	Provisions Written Back	(479,127)	(1,006,264)
	Technical Know-How Expenses Written Off	-	46,221
	Operating profit before working capital changes	277,993,222	213,486,642
	Adjusted for:		
	Accounts Receivable	(19,514,539)	18,667,609
	Loans & Advances	(16,548,289)	8,459,006
	Other Current Assets	(1,034,099)	12,447,529
	Inventories	(4,928,482)	115,419,806
	Current Liabilities & Provisions	46,160,239	(122,699,572)
	Cash generated from operating activities	282,128,053	245,781,019
	Income Tax paid (including Taxes Deducted at Source and Wealth Tax)	(21,521,960)	(32,290,690)
	Fringe Benefit Tax Paid	(2,337,350)	(2,816,984)
	NET CASH FROM OPERATING ACTIVITIES	258,268,743	210,673,345
B.	CASH FLOWS FROM/(USED) IN INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(122,335,312)	(265,495,332)
	Proceeds from sale of Fixed Assets	2,776,111	255,900,704
	Interest Received	93,773	1,254,680
	Investments in Subsidiary	(97,759,021)	(344,054,901)
	NET CASH FROM/(USED) IN INVESTING ACTIVITIES	(217,224,449)	(352,394,849)
C.	CASH FLOWS FROM/(USED) IN FINANCING ACTIVITIES		
	Dividend Paid (including tax on dividend)	(20,207,353)	(5,773,529)
	Movement in Borrowing	43,197,840	203,576,611
	Interest Paid	(64,784,689)	(54,575,124)
	NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(41,794,202)	143,227,958
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(749,909)	1,506,454
	Cash and Cash Equivalent at the beginning of the year	15,364,494	13,858,040
	Cash and Cash Equivalents at the end of the year	14,614,585	15,364,494
	Notes to Financial Statements	T	

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida

Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
Schedule A : SHARE CAPITAL		
Authorised		
10,000,000 Equity shares of Rs. 10 each	<u>100,000,000</u>	<u>100,000,000</u>
	100,000,000	100,000,000
Issued, Subscribed and Paid up		
8,635,990 Equity Shares of Rs. 10 each fully paid up*	<u>86,359,900</u>	<u>86,359,900</u>
	86,359,900	86,359,900
* Includes as bonus shares 936,375 Equity Shares of Rs.10 each allotted by capitalisation of general reserve on 29th September 1994 and 6,168,565 Equity shares of Rs.10 each allotted by capitalisation of Securities Premium on 18th March, 2008.		
Schedule B : RESERVES AND SURPLUS		
Securities Premium Account		
As per last Balance Sheet	<u>65,266,350</u>	<u>126,952,000</u>
Less : Issue of fully paid Bonus Shares	<u>–</u>	<u>61,685,650</u>
	65,266,350	65,266,350
General Reserve		
As per last Balance Sheet	<u>62,000,000</u>	<u>10,207,854</u>
Add: Transfer from profit and loss account	<u>10,000,000</u>	<u>51,792,146</u>
	72,000,000	62,000,000
Profit and Loss Account		
As per last Balance Sheet	<u>132,990,422</u>	<u>128,805,795</u>
Add: Profit for the year	<u>88,020,858</u>	<u>4,184,627</u>
	221,011,280	132,990,422
	<u>358,277,630</u>	<u>260,256,772</u>
Schedule C : SECURED LOANS		
From Banks		
Term Loans	<u>252,982,197</u>	<u>253,068,354</u>
Vehicle Loan	<u>–</u>	<u>74,781</u>
Working Capital Loans	<u>197,013,823</u>	<u>174,606,352</u>
	449,906,020	427,749,487
Deferred Sales Tax		
As per last Balance Sheet	<u>73,753,186</u>	<u>80,229,802</u>
Add: Addition during the year	<u>–</u>	<u>3,808,921</u>
	73,753,186	84,038,723
Less: Paid during the year	<u>12,395,421</u>	<u>10,285,537</u>
	61,357,765	73,753,186
	<u>511,263,785</u>	<u>501,502,673</u>

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Notes:

- Term loans of Rs.Nil (Previous Year Rs.24,400,000) from State Bank of Patiala and Rs.171,894,345 (Previous year Rs.117,670,502) from State Bank of India are secured by a first pari passu charge on all fixed assets of the Company, both present and future (except land and building under construction situated at Gurgaon, save and except book debts and assets exclusively hypothecated to Banks) and also secured by a second charge on entire current assets of the Company, subject to prior charge created/to be created on the specified movables in favour of bankers for securing working capital borrowings.
 Term loan of Rs. 80,997,852 (Previous Year Rs.110,997,852) from ABN Amro Bank N.V. is secured by way of first charge over movable and immovable fixed assets located at Plot No.9A, Sector 10, I.I.E., Pant Nagar (Uttarakhand) both present and future and also secured by a second charge by way of hypothecation over current assets of the Company, both present and future.
 These loans except loan of Rs.171,894,345 taken from State Bank of India are further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.
 The loan from ABN Amro Bank N.V. is further secured by Corporate Guarantee provided by M/s Minda Sons and First charge by way of equitable mortgage on lease hold land of M/s Minda Sons located at Plot No.19 & 20, Sector 8A, I.I.E. BHEL, Haridwar, Uttarakhand.
 Amount due within one year Rs.88,800,000 (Previous year Rs.91,000,000).
- Vehicle loan from banks are secured by hypothecation of the assets financed by them. Amount due within one year Rs.Nil (Previous year Rs.74,782).
- Working capital loans of Rs.119,812,830 (Previous year Rs.99,535,950) from Indian Overseas Bank, Rs.17,091,838 (Previous year Rs.31,799,155) from ABN Amro Bank N.V. and Rs.20,440,296 (Previous year Rs.Nil) from Standard Chartered Bank are secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of the Company, both present and future (except land and building under construction situated at Gurgaon) ranking pari passu with the sales tax deferment loan taken from PICUP.
 Working Capital Loan of Rs.39,668,859 (Previous year Rs.43,271,247) from AXIS Bank is secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge over movable and immovable fixed assets situated at Plot No.9A, Sector 10, I.I.E., Pant Nagar (Uttarakhand) and also secured by Corporate guarantee provided by Minda Sai Ltd.
 These loans Except loan from ABN Amro Bank N.V. are further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.
- Interest free loan in lieu of sales tax deferment from Pradeshiya Industrial Investment Corporation of Uttar Pradesh (PICUP) is secured by a second charge ranking pari passu on all fixed assets of the Company (except land and building under construction situated at Gurgaon), both present and future. Amount due within one year Rs.14,933,686 (Previous year Rs.12,395,421).

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
Schedule D : UNSECURED LOANS		
From		
– Body Corporates	125,712,961	31,264,377
– Customer and Trade Deposit	16,757,068	77,768,924
	<u>142,470,029</u>	<u>109,033,301</u>
	<u>142,470,029</u>	<u>109,033,301</u>
Schedule E : DEFERRED TAX LIABILITY		
As per last Balance Sheet	33,429,000	30,864,000
Add : Adjustments for the year	2,500,000	2,565,000
	<u>35,929,000</u>	<u>33,429,000</u>

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET
Schedule F : FIXED ASSETS

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION/AMORTISATION/ IMPAIRMENT				NET BLOCK		
	As at 31.03.2008	Additions during the Year	Adjustments/ Sold during the Year	As at 31.03.2009	Upto 31.03.2008	For the Year	Adjustments during the Year	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS										
Freehold Land	6,374,217	588,400	-	6,962,617	-	-	-	-	6,962,617	6,374,217
Leasehold Land	63,611,601	-	-	63,611,601	4,817,498	722,332	-	5,539,830	58,071,771	58,794,103
Building	267,343,271	1,203,031	-	268,546,302	46,081,867	12,739,474	-	58,821,341	209,724,961	221,261,404
Plant and Machinery	400,024,883	80,697,532	16,962,472	463,759,943	198,100,520	43,800,614	15,367,181	226,533,953	237,225,990	201,924,363
Computers	26,348,142	3,739,410	7,324,370	22,763,182	13,769,611	2,980,714	5,730,614	11,019,711	11,743,471	12,578,531
Office Equipment	22,622,840	9,339,856	5,620,137	26,342,559	16,679,464	2,947,388	5,418,527	14,208,325	12,134,234	5,943,376
Furniture and Fittings	17,666,858	821,414	2,659,443	15,828,829	13,017,834	1,847,774	2,645,769	12,219,839	3,608,990	4,523,296
Vehicles	7,815,100	547,008	-	8,362,108	6,416,313	571,942	-	6,988,255	1,373,853	1,398,787
INTANGIBLE ASSETS										
Computer Software	26,971,394	1,217,286	-	28,188,680	18,312,632	3,341,428	-	21,654,060	6,534,620	8,658,762
Technical Know How	-	6,390,819	-	6,390,819	-	1,232,640	-	1,232,640	5,158,179	-
TOTAL	838,778,305	104,544,756	32,566,422	910,756,640	317,195,739	70,184,306	29,162,091	358,217,954	552,538,686	521,582,566
PREVIOUS YEAR	932,349,284	351,847,868	445,418,847	838,778,305	450,001,374	57,421,176	190,226,811	317,195,739	521,582,566	482,147,910
Capital work in Progress									64,388,660	41,478,748





Schedule F : FIXED ASSETS (Contd.)

NOTES:

1. The Company acquired following leasehold Land from respective authority:

Authority	Date of Acquisition	Area (Sq Meters)	Period of Lease (years)
The New Okhla Industrial Development Authority	July 4, 1979	1,800	90
The New Okhla Industrial Development Authority	December 13, 1994	32,600	90
Pimpri- Chinchwad New Town Development Authority	November 11, 1999	2,708	99
State Industrial Development Corporation of Uttarakhnad Limited	June 6, 2006	11,550	90
State Industrial Development Corporation of Uttarakhnad Limited	February 1, 2008	18,975	90

- Depreciation for the year includes Rs.943,258 (Previous year Rs.1,548,337) capitalised on in-house development of tools.
- Additions to Plant and Machinery during the year includes net exchange loss of Rs. 450,524 (Previous year Rs. Nil) account of foreign exchange fluctuations with respect to liabilities incurred to acquire fixed assets.
- Fixed Assets includes the following assets given on operating lease:

PARTICULARS	GROSS BLOCK		DEPRECIATION FOR THE YEAR		ACCUMULATED DEPRECIATION	
	As at 31.03.2009	As at 31.03.2008	Ended 31.03.2009	Ended 31.03.2008	As at 31.03.2009	As at 31.03.2008
Plant and Machinery	32,426,748	37,526,522	2,365,115	2,553,660	22,551,968	24,801,906
Tools, Moulds & Dies	8,597,528	8,597,528	—	—	8,167,652	8,167,652
Electrical Installation	—	1,524,728	—	—	—	1,448,492
Building	—	5,107,969	—	276,661	—	3,819,092
Furniture and Fittings	—	8,000	—	—	—	8,000
TOTAL	41,024,276	52,764,747	2,365,115	2,830,321	30,719,620	38,245,142

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
Schedule F : PREOPERATIVE EXPENDITURE		
(Pending capitalisation/ allocation)		
Employees Remuneration and Benefits		
Salaries, Wages and Bonus	4,250,267	1,158,900
Contribution to Provident Fund and Other funds	231,500	85,008
Shifting Expenses	188,752	–
	<u>4,670,519</u>	<u>1,243,908</u>
Administrative and Other Expenses		
Consultancy charges	281,800	–
Travelling and Conveyance	725,799	812,232
	<u>1,007,599</u>	
Interest and Finance Charges		
Interest on Term Loan	3,769,916	379,703
	<u>9,448,034</u>	<u>2,435,843</u>
Add: Expenses brought forwarded from previous year	2,056,140	–
	<u>11,504,174</u>	<u>2,435,843</u>
Less: Allocated during the year	3,769,916	379,703
	<u>7,734,258</u>	<u>2,056,140</u>

Schedule G : INVESTMENTS

(Non-Trade- Unquoted- at cost)

Long Term Investments

Investment in KTSN Kunststofftechnik Sachen GmbH & Co. KG, Germany (Limited Liability Partnership Firm) Euro 7,697,001 (P.Y. Euro 6,200,001)	441,813,921	344,054,901
	<u>441,813,921</u>	<u>344,054,901</u>

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008	
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES			
A. CURRENT ASSETS			
1. Inventories (As taken, valued and certified by the management)			
Raw Materials*	55,597,114	53,106,887	
Packing Materials	231,159	240,288	
Finished Goods**	11,922,533	11,538,484	
Stores and Spares	327,186	496,977	
Work in Progress	5,975,612	5,808,565	
Tools, Moulds, Dies and Fixtures	11,366,914	9,300,835	80,492,036
	<u>85,420,518</u>	<u>9,300,835</u>	
2. Sundry Debtors (Unsecured)			
Debts outstanding for a period exceeding six months			
Considered Good	2,379,445	2,173,554	
Considered Doubtful	9,985,450	11,202,481	
	<u>12,364,895</u>	<u>13,376,035</u>	
Others			
Considered Good	236,752,799	217,444,151	
Considered Doubtful	969,371	—	
	<u>250,087,065</u>	<u>230,820,186</u>	
Less: Provision for Doubtful Debts	10,954,821	11,202,481	219,617,705
	<u>239,132,244</u>	<u>11,202,481</u>	
3. Cash and Bank Balances			
Cash on Hand	512,048	864,609	
Silver Coins - 153 in number (Previous year 142)	26,351	23,161	
Balance with Scheduled Banks			
In Current Accounts	12,586,559	12,293,774	
In Fixed Deposit Accounts***	1,484,356	2,167,970	
In Unpaid Dividend Account	5,271	14,980	15,364,494
	<u>14,614,585</u>	<u>14,980</u>	

* Raw Material includes Material in Transit of Rs.13,179,759 (Previous Year Rs. 1,139,390).

** Finished goods include excise duty of Rs.1,498,342 (Previous Year Rs. 1,113,200) on goods manufactured but not sold at the end of the year.

*** - Pledged with banks as Margin Money for issue of letter of credit etc. Rs Nil (Previous Year Rs. 813,064).

- Pledged with banks for issue of guarantees in favour of Sales Tax, Excise and Customs Authorities Rs. 1,484,356 (Previous Year Rs. 1,354,906).

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009		AS AT 31.03.2008	
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES				
A. CURRENT ASSETS				
4. Other Current Assets				
Interest Accrued	204,118		91,894	
Claims and Other Receivables	6,639,222	6,843,340	5,605,123	5,697,017
B. LOANS AND ADVANCES (Unsecured)				
Advances recoverable in cash or in kind or for value to be received or pending adjustments				
Considered Good*	67,897,353		59,342,391	
Considered Doubtful	–		70,317	
	67,897,353		59,412,708	
Balance with Excise and Sales Tax Authorities	6,189,946		5,542,260	
Advance Income Tax (net of provision)	5,433,494		4,381,221	
Earnest Money and Security Deposits**	13,253,258		5,934,109	
	92,774,051		75,270,298	
Less: Provision for Doubtful Advances	–	92,774,051	70,317	75,199,981
		438,784,738		396,371,233

Notes:

*Include

- amount due from Minda Sai Ltd., a company under the same management Rs. Nil (Previous Year Rs.303,037). Maximum amount due at any time during the year Rs.303,037 (Previous Year Rs. 2,582,861).
- amount due from Minda Management Services Ltd., a company under the same management Rs. Nil (Previous Year Rs. 2,736,260). Maximum amount due at any time during the year Rs.2,736,260 (Previous Year Rs. 2,736,260).
- amount due from Officer of the company Rs.140,069 (Previous Year Rs.213,318). Maximum amount due at any time during the year Rs.213,318 (Previous Year Rs.223,465).
- amount due from Minda Furukawa Electric Private Ltd., a company under the same management Rs. 60,000 (Previous Year Nil). Maximum amount due at any time during the year Rs.60,000 (Previous Year Nil).
- **includes amount due from Minda Capital Limited, a company under the same management Rs.8,400,000 (Previous Year Rs. Nil).

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2009	AS AT 31.03.2008
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Schedule I : CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

Acceptances	–	4,688,047	
Sundry Creditors*	332,191,136	277,738,589	
Due to Minda Sons- on account of Purchase Consideration	–	12,397,930	
Security Deposit	700,000	1,400,000	
Investor Education and Protection Fund**	548	6,098	
Other Liabilities	20,259,702	15,312,719	311,543,383

B. PROVISIONS

Fringe Benefit Tax (Net of Payment)	726,666	264,016	
Proposed Dividend	17,271,980	17,271,980	
Tax on Proposed Dividend	2,935,373	2,935,373	
Warranty	10,771,305	8,941,627	
Employee Retirement Benefits	12,025,988	9,782,558	39,195,554
	396,882,698		350,738,937

* The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/ payable under this Act have not been given.

** Investor Education and Protection Fund includes unclaimed dividends aggregating to Rs.548 (Previous year Rs.6,098) that is not due for transfer as at March 31, 2009.

Schedule J : MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Technical Fees			
As per last Balance Sheet	–	46,221	
Less: Written off during the year	–	46,221	–
	–	–	–

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2009	Year ended at 31.03.2008
Schedule K : SALES		
Manufactured Goods	2,030,093,545	1,871,884,259
Components/Raw Material	118,938,269	112,278,375
Moulds, Tools and Dies	16,151,317	17,309,651
	<u>2,165,183,131</u>	<u>2,001,472,285</u>
Schedule L : OTHER INCOME		
Interest		
- from banks	139,731	186,917
- from others	66,266	967,362
Rent	4,229,000	11,786,056
Royalty	30,757,296	17,652,321
Scrap Sales*	877,495	519,657
Export Benefits	9,704,200	8,801,244
Liabilities/Provisions Written Back	479,127	1,006,264
Profit on sale of Fixed Assets (Net)	-	708,668
Technical Know How / Service Income	52,969,430	29,662,648
Miscellaneous Income	3,127,813	455,455
	<u>102,350,358</u>	<u>71,746,592</u>
TAX DEDUCTED AT SOURCE		
Interest - Bank	25,953	36,169
Interest- Others	487	212,055
Rent	733,098	2,258,123
Royalty	4,764,364	2,773,162
Technical Know How/Service Income	4,800,586	5,278,191
Miscellaneous Income	200,375	23,703
* Scrap sales is net of excise duty paid aggregating Rs. 13,168/- (Previous year Rs.29,585).		
Schedule M : ACCRETION/(DEPLETION) IN STOCKS		
<i>Closing Stock</i>		
Finished Goods	11,922,533	11,538,484
Work in Progress	5,975,612	5,808,565
	<u>17,898,145</u>	<u>17,347,049</u>
<i>Opening Stock</i>		
Finished Goods	11,538,484	29,731,703
Work in Progress	5,808,565	12,051,725
	<u>17,347,049</u>	<u>41,783,428</u>
Impact of excise duty on increase/(decrease) in finished goods	(385,142)	1,844,808
	<u>165,954</u>	<u>(22,591,571)</u>

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2009	Year ended at 31.03.2008
Schedule N : COST OF MATERIALS		
Raw Materials Consumed		
Opening Stock	51,967,497	110,622,066
Add: Purchase/Expenses during the year *	1,366,830,015	1,242,124,428
	1,418,797,512	1,352,746,494
Less: Closing Stock	42,417,355	51,967,497
	1,376,380,157	1,300,778,997
Tools, Moulds, Dies and Fixtures		
Opening Stock	9,300,835	18,136,591
Add: Purchase/Expenses during the year	13,036,160	2,745,023
	22,336,995	20,881,614
Less: Closing Stock	11,366,914	9,300,835
	10,970,081	11,580,779
	1,387,350,238	1,312,359,776
* Purchase of raw materials includes job work charges of Rs.82,302,002 (Previous year Rs.90,022,417).		
Schedule O : MANUFACTURING EXPENSES		
Packing Materials		
Opening Stock	240,288	316,295
Add: Purchase during the year	14,968,793	11,745,830
	15,209,081	12,062,125
Less: Closing Stock	231,159	240,288
	14,977,922	11,821,837
Power and Fuel	15,968,708	11,980,245
Stores and Spares Consumed	8,364,293	7,576,208
Design and Development Charges	122,084	165,810
Testing Charges	1,066,945	995,130
	40,499,952	32,539,230
Schedule P : EMPLOYEES REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	162,963,817	120,801,432
Contribution to Provident Fund and Other funds	12,363,673	8,292,416
Staff Welfare Expenses	15,588,832	11,578,636
	190,916,322	140,672,484

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2009		Year ended at 31.03.2008	
Schedule Q : ADMINISTRATIVE AND OTHER EXPENSES				
Rent		20,462,768		3,241,277
Hire Charges		5,702,149		4,439,918
Lease Rent		5,593,428		5,156,484
Rates and Taxes		1,106,947		879,913
Insurance		3,268,545		3,108,975
Travelling and Conveyance		16,428,766		14,425,642
Printing and Stationery		2,455,284		2,156,539
Legal and Professional Charges		8,252,541		5,663,944
Communication Expenses		4,946,891		3,890,807
Repairs and Maintenance				
Building	3,534,675		2,612,826	
Plant and Machinery	4,846,595		1,474,003	
Others	5,119,627	13,500,897	4,816,461	8,903,290
Auditors' Remuneration :				
Statutory Audit	650,000		520,000	
Reimbursement of Expenses	43,813	693,813	43,032	563,032
Royalty		32,041,686		-
Cash Discount		448,983		99,681
Charity and Donations		507,100		505,000
Bad Debts/Amounts written off		26,491		10,544
Management Fees		52,467,327		34,803,020
Fixed Assets Written Off		628,220		-
Sales Tax Expenses		389,985		115,741
Warranty Expenses		9,965,452		5,078,303
Technical Fee Written Off		-		46,221
Security Charges		2,668,837		1,705,389
Miscellaneous Expenses		3,104,129		5,020,174
		184,660,239		99,813,894
Schedule R : SELLING AND DISTRIBUTION EXPENSES				
Advertisement and Business Promotion		11,896,687		4,925,294
Sales Commission		-		11,770,386
Freight and Forwarding		14,013,770		10,481,116
		25,910,457		27,176,796
Schedule S : INTEREST AND FINANCE CHARGES				
Interest				
On Term Loan	28,192,238		17,044,204	
On Working Capital Loan	30,777,132		35,323,030	
Others	5,815,319	64,784,689	2,207,890	54,575,124
Bank Charges		4,805,276		3,786,150
		69,589,965		58,361,274

Schedule 'T'

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company.

The Company follows the mercantile system of accounting and recognises items of income and expenditure on accrual basis

ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

iii) Principles of Consolidation

The consolidated financial statements have been prepared in accordance with accounting standard 21 on consolidated financial statements issued by the Institute of Chartered Accountants of India. The financial statements of the company and Minda Europe B.V. have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses after elimination of intra-group balances and transactions and the resultant unrealised gains/losses. The consolidated financial statements are prepared applying uniform accounting policies in use at the company and at Minda Europe B.V.

iv) Revenue Recognition

Revenue from sale of good are recognised as goods are dispatched to the customers from the factory. Revenue from sale of goods to overseas customers is recognized on goods being shipped on board. However in case of DDP (Delivery Duty Paid) shipments, sales are recognized on the basis of delivery at destination. Sales are recorded at invoice value, net of sales tax/Vat, trade discount and sales returns, but including excise duty.

v) Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of duties, taxes, incidental expenses, erection/commissioning expenses, preoperative expenses etc (net of Cenvat benefit availed of excise duty, cess, countervailing duty on imported capital goods and vat set off availed, wherever applicable) up to the date, the assets are put to use.

Moulds, Dies and Tools represent company owned tools, dies and other items used in the manufacture of components specific to a customer. Cost includes engineering, testing and other direct expenses related to the design and development of such tools.

vi) Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets or at rates specified in Schedule XIV to the Companies Act, 1956 which ever is higher. The depreciation rates used by the Company are as follows:

Category of Fixed Assets	Rates of Depreciation (In percentage)
Building	4.75
Plant and Machinery	
Tools, Moulds and Dies	19.00
Electrical Installation	9.50
Others	9.50
Computer Hardware	16.95
Office Equipment	19.00
Furniture and Fittings	19.00
Vehicles	19.00
Computer Software	20.00
Technical Know How	20.00

Premium paid on leasehold land and site development is amortised over the period of the lease.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale/ deduction from fixed assets is provided for upto the date of sale, deduction and discardment as the case may be.

All assets costing Rs.5,000 or below are depreciated in full by way of a one-time depreciation charge.

vii) Excise Duty

Excise duty payable on finished goods is accounted for upon manufacture and transfer of finished goods to the stores. Payment of excise duty is deferred till clearance of goods from the factory premises.

viii) **Inventories**

Inventories are valued at lower of cost and net realisable value. The basis for determination of cost of various categories of inventory is as follows:

Raw Materials, Components and Stores and Spares	:	FIFO Basis
Finished Goods		
Bought out	:	FIFO Basis
Manufactured	:	Material cost on FIFO basis plus an appropriate share of production overheads wherever applicable. Cost includes excise duty.
Work in Progress	:	Material cost on FIFO basis plus an appropriate share of production overheads wherever applicable.
Tools, Moulds and Dies	:	Material cost on FIFO basis plus an appropriate share of production overheads wherever applicable.

ix) **Impairment of Assets**

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognised where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

x) **Foreign Currency Transactions**

Investment in foreign entities is recorded at the exchange rate prevailing on the date of making the investment.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Foreign currency loans covered by forward exchange contracts that are translated at the rate prevailing on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract.

In the case of liabilities incurred for the acquisition of fixed assets, the loss or gain on conversion (at the rate prevailing at the year end or at the forward rate where forward cover has been taken) is included in the carrying amount of the related fixed assets.

Current Assets and liabilities (other than those relating to fixed assets and investments) are reinstated at the rates prevailing at the year end or at the forward rate where forward cover has been taken. The difference between exchange rate at the year end and at the date of the transaction is recognized as income or expense under the respective heads of account in Profit and Loss Account.

xi) **Customs Duty**

Customs duty on imported materials and machinery lying in bonded warehouses and in transit is accounted for on clearance of the goods.

xii) **Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

xiii) **Research and Development**

Revenue expenses incurred on research and development is charged off to the Profit and Loss Account in the year in which these expenses are incurred. Capital expenditure incurred on research and development is included in fixed assets and depreciated at applicable rates.

xiv) **Retirement Benefits**

Company's contribution to Provident Fund is charged to the Profit and Loss Account.

Leave encashment benefits payable to employees are accounted for on the basis of an actuarial valuation at the end of each financial year. Leaves are permitted to be encashed during the tenure of employment.

The company has created an Employee Group Gratuity Fund. The fund has taken Gratuity-cum-Life insurance policy from the Life Insurance Corporation of India (LIC). The premium paid/payable to LIC determined on the basis of an actuarial valuation made at the end of each financial year is charged to Profit and Loss Account.

xv) **Warranty Claims**

A provision is made for future warranty costs based on management's estimates of such future costs.

xvi) **Leases**

Lease rentals are expensed with reference to lease terms.

xvii) **Investments**

Long term investments are stated at cost, less provision for diminution in value of investments, which is considered to be permanent based on perception of the management of the company. Current investments are stated at lower of cost or fair market value. Cost includes original cost of acquisition, including brokerage and stamp duty.

xviii) **Income Taxes**

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Timing differences between the taxable income and the accounting income as at March 31, 2009 that reverse in one or more subsequent years are recognised if they result in taxable amounts. Deferred tax assets or liabilities are established at the enacted tax rates. Changes in the enacted rates are recognised in the period of enactment.

Deferred tax assets are recognised only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

xix) **Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of options outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xx) **Export Benefits**

Export benefits under the duty exemption pass book scheme are recognised in the year the goods are exported.

2. **Commitments and Contingencies**

a) Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid Rs. 342.96 Lacs (Previous year Rs. 233.80 Lacs).

b) (i) Outstanding forward contracts in respect of foreign currency as on March 31, 2009 amount to US \$ 10,27,000 equivalent to Rs.51,709,450 (Previous year Nil) to hedge the foreign currency exposure for payments to be made against working capital loans.

(ii) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise is as follows:

	Year ended 31.03.2009		Year ended 31.03.2008	
	Rs.	FC	Rs.	FC
i) Receivables in foreign currency				
- Export of Goods	44,129,805	€ 661,758	64,208,374	€2,649,373
	35,204,410	US \$694,878	24,542,612	US \$641,545
	Nil	Nil	882,575	GBP 11,117
- Royalty	6,316,003	US \$124,576	6,538,154	US \$163,413
ii) Payables in foreign currency				
- Loans	102,429,450	US \$ 2,027,000	81,100,270	US \$ 2,027,000
- Commission	308,595	US \$6084	304,902	US \$7621
	2,745,376	€40,988	1,829,699	€30,114

c) Export obligations to be undertaken by the Company under EPCG scheme in the subsequent years to the extent unexecuted is Rs. 47.48 Lacs (Previous year Rs.322.77 Lacs).

d) Guarantees provided by the company aggregate to Rs.585.38 Lacs (Previous year Rs.505.88 Lacs).

e) Bills of exchange discounted under irrevocable letters of credit aggregate to Rs.809.73 Lacs (Previous year Rs.1,628.80 Lacs)

f) Letters of credit outstanding aggregate to Nil (Previous year Rs.16.40 Lacs).

g) Demand for income tax aggregating to Rs. 121.70 Lacs for the assessment year 2003-04, 2005-06 and 2006-07 (Previous year Rs. 100.14 Lacs for the assessment years 2003-04) is disputed by the company against which the company has preferred an appeal. Out of the above, the company has deposited Rs. 29.69 Lacs (Previous Year Rs. 17.00 Lacs)

h) Demand for sales tax aggregating to Rs.15.41 Lacs (Previous year Rs. 12.99 Lacs) for the financial year 1998-99, 2001-02, 2005-06 is disputed by the company against which the company has preferred an appeal. Out of the above, the company has deposited Rs.9.46 Lacs (Previous Year Rs. 8.42 Lacs)

i) Penalty and Interest demand for excise duty aggregating to Rs.93.28 Lacs (Previous year Rs. 87.93 Lacs) for the financial years 2005-06 and 2006-07 is disputed by the company against which the company has preferred an appeal. Out of the above, the company has deposited Rs. Nil (Previous Year Nil).

j) **Warranties**

The company warrants that its products will perform in all material respects in accordance with the company's standard specifications for the warranty period. Accordingly based on specific warranties, claims and claim history the company provides for warranty claims. The activity in the provision for warranty costs is as follows:

	31.03.2009 Rs.	31.03.2008 Rs.
Opening Balance	8,941,627	9,428,466
Additional provisions during the year	10,771,305	8,941,627
Provisions utilised during the year	(8,941,627)	(9,428,466)
Closing Balance	10,771,305	8,941,627

3. **Leases**

The company has not executed any non-cancelable operating leases.

The company is a lessee under various operating leases. Rental expense for operating leases for the years ended March 31, 2009 and 2008 was Rs. 26,056,196/- and Rs. 7,610,490/- respectively.

The company has leased some of its premises and some of its fixed assets to a third party under a fixed lease agreement that qualifies as an operating lease. Rental income for operating leases for the years ended March 31, 2009 and March 31, 2008 aggregate to Rs. 4,229,000/- and Rs. 11,786,056/- respectively.

4. **Managerial Remuneration**

Managerial remuneration under section 198 of the Companies Act, 1956 paid to the managing directors of the company is as follows:

	31.03.2009 Rs.	31.03.2008 Rs.
Salary	6,787,872	4,166,400
Contribution to Provident Fund	509,091	312,480
Monetary value of Perquisites	111,000	111,000
	7,407,963	4,589,880

The above remuneration does not include the accrued amount of leave encashment and gratuity as at year end as the company determines this amount through actuarial valuation and separate amount to directors is not ascertainable.

As no commission is payable to the directors, the computation of net profits in accordance with section 309 (5) read with section 349 of the Companies Act, 1956 has not been given.

5. **Provision for Gratuity**

S.No.	Particulars	Master Policy CG 312689	
		As on March 31, 2009	As on March 31, 2008
1.	Assumptions		
	i) Discounting Rate	8.00%	8.00%
	ii) Future salary Increase	5.5%	5.5%
2.	Table Showing changes in present value of obligation		
	Present value of obligation as at the beginning of the period	1,06,25,367	10,889,258
	Interest cost	850,029	871,141
	Current service cost	2,439,788	2,662,366
	Benefits paid	(945,291)	(57,18,125)
	Actuarial (gain)/loss on obligation	(95,595)	1,920,727
	Present value of obligation as at the end of period	1,28,74,298	10,625,367
3.	Table Showing changes in the fair vale of planed assets		
	Fair value of plan assets at the beginning of the period	5,906,376	5,706,376
	Expected return on plan assets	-	-
	Contributions	3,979,660	200,000
	Actuarial gain/(loss) on plan assets	30,340	-
	Fair value of plan assets at the end of the period	9,916,376	5,906,376

S.No.	Particulars	Master Policy CG 312689	
		As on March 31, 2009	As on March 31, 2008
4.	Table showing fair value of planned assets		
	Fair value of plan assets at the beginning of the period	5,906,376	5,706,376
	Actual return on plan assets	—	—
	Contributions	3,979,660	200,000
	Fair value of plan assets at the end of the period	9,916,376	5,906,376
	Funded status	(2,957,922)	(4,718,991)
	Excess of actual over estimated return on plan assets	30,340	—
	As on March 31, 2008		
5.	Actuarial Gain / (loss) recognized		
	Actuarial gain/(loss) for the period- obligation	95,595	(19,20,727)
	Actuarial (gain)/loss for the period - plan assets	(30,340)	—
	Total (gain)/loss for the period	(125,935)	19,20,727
	Actuarial (gain) / loss recognized in the period	(125,935)	19,20,727
6.	The amounts to be recognized in Balance Sheet and related analysis		
	Present value of obligation as at the end of the period	12,874,298	1,06,25,367
	Fair value of plan assets as at the end of the period	9,916,376	5,906,376
	Funded status / Difference	(2,957,922)	(4,718,991)
	Excess of actual over estimated	30,340	—
	Unrecognized actuarial (gains)/losses	—	—
	Net asset/(liability) recognized in balance sheet	(2,957,922)	(4,718,991)
7.	Expenses recognized in statement of Profit & Loss		
	Current service cost	2,439,788	2,662,366
	Interest cost	850,029	8,71,141
	Expected return on plan assets	—	—
	Net actuarial (gain)/ loss recognized in the period	(125,935)	19,20,727
	Expenses recognized in the statement of profit & losses	3,163,882	5,454,234

5. Related Party Transactions

In the normal course of business, the Company enters into transactions with affiliated companies and its parent and key management personnel. The names of related parties of the Company as required to be disclosed under Accounting Standard 18 is as follows:

- a) Key Management Personnel : Mr. Ashok Minda - Chairman
Mr. Jeevan Mahaldar - Managing Director
- b) Enterprise in which directors of : KTSN Kunststofftechnik Sachsen GmbH & Co, Germany
The company and their relatives : Minda Valeo Security Systems Pvt. Ltd
Exercises significant influence : Minda Stoneridge Instruments Ltd
Mindarika Pvt Ltd
Minda Finance Ltd
Minda SAI Ltd
Minda S.M.Technocast Ltd.
Minda Silca Engineering Ltd
Minda Industries Ltd
Minda Furukawa Electric Pvt Ltd
Minda International Ltd
Minda Capital Ltd
Minda Management Services Ltd
Minda Sons

Included in the financial statements are the following amounts relating to transactions with related parties:

Rs. in Lacs

Particulars	Subsidiary Company		Directors of the Company		Enterprise in which Directors of the Company and their relatives exercises significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
a) Sale of Goods	-	-	-	-	2,023	4,203
b) Hiving off Business	-	-	-	-	-	3,540
c) Sale of Fixed Assets	-	-	-	-	2	39
d) Payment of technical know how fees	-	-	-	-	109	-
e) Rent Received	-	-	-	-	42	117
f) Miscellaneous Income	-	-	-	-	-	11
g) Purchase of Goods/Job Work	-	-	-	-	3,890	2,328
h) Purchase of Business Undertaking	-	-	-	-	-	413
i) Purchase of Fixed Assets	-	-	-	-	9	20
j) Testing Charges	-	-	-	-	1	4
k) Payment of Commission	-	-	-	-	-	117
l) Miscellaneous Expenses	-	-	-	-	-	16
m) Managerial Remuneration	-	-	74	46	-	-
n) Rent Paid	-	-	-	-	195	36
o) Royalty Paid	-	-	-	-	320	-
p) Interest Paid	-	-	-	-	34	-
q) Payment of Management Fees	-	-	-	-	525	348
r) Loan Received (net of Payment)	-	-	-	-	832	-
s) Security Deposit Received	-	-	-	-	7	14
t) Security Deposit Paid	-	-	-	-	84	-
u) Investment	-	-	-	-	964	3,441
v) Guarantee given for loans taken by the Company	-	-	2,609	4,030	1,207	1,543
w) Guarantee given by the Company	-	-	-	-	556	464
x) Receivables	-	249	-	-	368	337
y) Payables	-	-	-	-	1,931	581

7. Earnings per Share

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

	<u>31.03.2009</u>	<u>31.03.2008</u>
a) Net Profit/(Loss) (Rs.)	118,228,211	79,108,211
b) Basic earnings per equity share - weighted average number of equity shares outstanding	8,635,990	8,635,990
c) Effect of dilutive potential equity share equivalents	-	-
d) Dilutive earnings per equity share - weighted average number of equity shares and potential equity share equivalents outstanding	8,635,990	2,703,181
e) Nominal Value of Equity Shares (Rs.)	10	10
f) Basic Earnings per Share (Rs.)	13.69	8.82
g) Diluted Earnings per Share (Rs.)	13.69	28.18

8. Investment in KTSN Kunststofftechnik Sachen GmbH & Co. KG, Germany (A Limited Liability Partnership) is the purchase consideration and contribution towards Capital Reserves. It includes the amount contributed by Minda Europe B.V., Netherlands on behalf during the financial year 2008-2009.

9. Segment Reporting

The company's operations predominantly are manufacture of automotive parts and accessories. The company is managed organizationally as a unified entity and all its assets other than export debtors are located in India.

Sales (net) for the year ended March 31, 2009 Rs.20097.16 Lacs. Details of sales and year end debtors are as follows:

Locations	Revenue Rs. in Lacs	
	<u>31.03.2009</u>	<u>31.03.2008</u>
Domestic	16,063.00	14,382.85
Asia	2,280.24	1,344.68
Americas	92.87	52.02
Europe	1,661.05	2055.37
Total	20,097.16	17,834.92

Locations	Carrying amount of segment Assets Rs in Lacs	
	<u>31.03.2009</u>	<u>31.03.2008</u>
Domestic	1,597.72	1,713.78
Asia	324.75	413.20
Americas	24.17	21.34
Europe	446.46	47.86
Total	2,393.08	2,196.18

10. **Income Taxes**

In accordance with Accounting Standard 22 on accounting for taxes on income the deferred tax liability of Rs. 25.00 Lacs for the current year has been recognised in the profit and loss account. The tax effect of significant timing differences as of March 31, 2009 that reverses in one or more subsequent years gave rise to the following net deferred tax liabilities as at March 31, 2009.

	31.03.2009	31.03.2008
	Rs. in lacs	Rs. in lacs
Deferred Tax Assets/(Liabilities)		
Provision for Employee Retirement Benefits	40.88	33.25
Provision for Doubtful Debts	42.00	38.31
Depreciation	(445.10)	(405.85)
Others	2.93	-
Net Deferred Tax Liabilities	(359.29)	(334.29)

11. **Moulds, Tools and Dies**

Details of expenses incurred on development of moulds, tools and dies and included are as follows:

Particulars	31.03.2009	31.03.2008
	Rs.	Rs.
Salaries and Wages	2,889,368	3,753,683
Contribution to Provident and other Funds	316,475	400,701
Repairs and Maintenance		
Plant and Machinery	78,942	729,493
Others	42,168	52,751
Power and Fuel	2,038,097	899,708
Depreciation	943,258	1,548,337
Job work charges	442,878	1,647,015
Stores, Spares and Components Consumed	5,251,006	3,659,522
Total	12,002,192	12,691,210

12. **Reclassification**

Previous year's figures have been regrouped and/or re-arranged wherever necessary to conform to the current year's groupings and classifications and the figures in brackets are those in respect of previous year.

Signatures to Schedule A to T

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

R.N. Saraf, F.C.A.
Membership No. 12439

Place : Noida
Date : June 26, 2009

For and on behalf of the Board of Directors

Jeevan Mahaldar
Managing Director

R. K. Aggarwal
CFO

A. P. Gandhi
Director

Ajay Sancheti
Company Secretary



STATEMENT PURSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY FOR THE YEAR ENDED MARCH 31, 2009.

Name of the Subsidiary Company	Minda Europe B. V.
Country of Incorporation	Netherlands
	Amount in Rs.
(a) Capital	16,948,800
(b) Reserves	4,481,152
(c) Total Assets	46,931,584
(d) Total Liabilities	2,411,553
(e) Details of Investment (Except in case of investment in the subsidiaries)	NIL
(f) Turnover	6,937,663
(g) Profit before taxation	23,577,192
(h) Provision for taxation	969,687
(i) Profit after taxation	22,607,505
(j) Proposed dividend	NIL